

## COMMUNIQUÉ

The Superintendency of Banks of Panama wishes to inform the general public that a one hundred and twenty (120) -day extension of the Reorganization of **Banca Privada D'Andorra (Panamá), S.A.** was ordered by means of Resolution SBP-0096-2016 dated 2 June 2016. As provided for in paragraph 3 of Article 142 of the Banking Law, this period can be curtailed or extended by the Superintendent based on a justified request from the Reorganizer.

This decision was based on the report submitted by the Reorganizer of **Banca Privada D'Andorra (Panamá), S.A.** advising that the Board of Directors of the Andorra Bank Resolution Agency (Agencia Estatal de Resolució d'Entitats Bancaries – AREB) issued a Resolution determining that the deposits belonging to Banca Privada D'Andorra (Panamá), S.A. and BPA Valores, S.A. would remain at Banca Privada D'Andorra.

These deposits will be transferred to the Bank in Panama as soon as the sale is completed. Consequently, the Reorganizer recommends proceeding with the sale in coordination with the Andorran authorities.

At the same time, the Superintendency of Banks of Panama appointed Mr. Rafael Moscarella Valladares as the new Reorganizer, replacing the current Reorganizer. Mr. Moscarella will exclusively execute the administration and control of the bank, as well as its legal representation.

The reorganization will enable the execution of a sales plan for **Banca Privada D'Andorra (Panamá), S.A.** addressed to entities having operations in our International Banking Center, so that once the best offer possible is achieved, a request for a “no objection” can be submitted to both the Superintendency of Banks of Panama and the Administrative Council of the Andorra Bank Resolution Agency.

For that purpose, the Superintendency of Banks of Panama and the AREB have already started coordinating tasks, given that the final seller of **Banca Privada D'Andorra (Panamá), S.A.** will be the Andorra Bank Resolution Agency.

The Superintendency hopes that this process will resolve the Bank's situation to the benefit of all depositors and creditors of the bank using the mechanisms provided for in the Panamanian Banking Law.

Panama, 3 June 2016.