

COMMUNIQUÉ

By means of Resolution SBP-0198-2016 dated 27 October 2016, the Superintendency of Banks of Panama ordered the extension of the Reorganization of Balboa Bank & Trust, Corp., to be concluded within a ninety (90) -day period. 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 measure is effective at 2:30 p.m. on Tuesday, November first (1st), two thousand sixteen (2016).

During the Reorganization process, we invited general and international license private banks to participate in the sale of Balboa Bank & Trust, Corp. We have received eleven (11) confirmations of interest from domestic banking groups and two (2) from foreign groups.

After these expressions of interest and the relevant agreements on the confidentiality and security of the process, the Reorganization must enter the due diligence phase in which banking groups conduct the financial assessment of Balboa Bank & Trust, Corp. in order to draft their proposals.

The Reorganization Plan will continue with the assessment and negotiation of the offers submitted by banks, followed by the formalization of the transaction and the resulting conclusion of the Reorganization.

A 90-day extension will be given to conclude the reorganization, serving to facilitate meeting all the requirements and achieving a transaction that will benefit the Bank's depositors.

To that end, the Superintendency looked favorably on the Reorganizer's request, in order to:

- Protect the best interests of depositors;
- Minimize any loss of value of the bank that might harm the depositors; and
- Reduce any negative impact on the Banking System.

Panama, 31 October 2016.