



COMMUNIQUÉ

By means of Resolution SBP-0205-2019 dated 8 November 2019 and based on the provisions of Articles 154 and following articles of Chapter XVIII, Title III of the Banking Law, the Superintendency of Banks of Panama ordered the Compulsory Liquidation of Allbank Corp. effective at three post meridiem (3:00 p.m.) on 8 November 2019.

This decision was made after the assessment included in the Report of the Interim Administrator, as well as the assessment of the Superintendency of Banks, which indicate that due to the financial, operational and corporate governance condition of Allbank Corp., the bank cannot be reorganized or sold to another bank.

The uncertainty in the possibility of accessing the liquid assets and securities investment portfolio allocated and held by institutions of its banking group makes it unfeasible for the bank to continue operations, given the weakness and fragility of its real liquidity and solvency. In confronting this situation, Allbank Corp. did not submit an effective short-term solution or appropriate financial proposals on the real availability of funds and securities the bank held in related entities. The repeated evasive actions and unrealistic terms and conditions demonstrated the operational risk of the Bank and its unsustainability due to its exhausted business model.

The aforementioned will merit a thorough investigation by jurisdictional bodies that will permit a deep clarification and determination of responsibilities for the benefit of the International Banking Center (IBC).

The Superintendency of Banks has appointed Mr. Rafael Moscarella Valladares as Liquidator to lead the Compulsory Liquidation process following the criteria of speed, diligence, simplicity and transparency in the proceedings and respecting the rights and priorities recognized by the Banking Law.

It is worth noting that all banking operations of Allbank Corp. remain suspended, as provided for in Article 159 of the Banking Law, as the Bank is under Compulsory Liquidation. All rights and actions of the bank and the effects of lawsuits and administrative proceedings in which the Bank is a party are suspended for up to six months, unless they are seeking the execution of a pledge, mortgage or collateral.

The Superintendency of Banks reconfirms the stability and soundness of the Panamanian banking system. This measure does not represent a contagion risk for the rest of the Banking System, given the lack of interbank relationship connections between Allbank Corp. and the rest of the system.

We recommend the community pay attention only to the official information issued by the institution and to ignore any baseless rumor that could be posted on social or other media. We remind you that anyone who shares fake news jeopardizing the national economy or public reliability incurs in a punishable act, as provided for in Article 260 of the Criminal Code.

Panama, 8 November 2019.