

TRANSLATION

Superintendency of Banks

RESOLUTION S.B.P. No. 078-2010
(of 31 March 2010)

THE SUPERINTENDENT OF BANKS
in use of his legal powers, and

WHEREAS:

STANFORD BANK (PANAMÁ), S.A., is a corporation registered in Document 427208, Number 419999 of the Microfilms (Mercantile) Section of the Public Registry of Panama, holder of a General License granted by this Superintendency of Banks by means of Resolution No. 033-2005 of 1 April 2005;

By means of Resolution S.B.P. No. 057-2009 of 17 February 2009, and based on the provisions of Article 131 and 135 of the Banking Law, the Superintendency of Banks – Panama ordered the Seizure of Administrative and Operating Control of **STANFORD BANK (PANAMÁ), S.A.** in force since 7:00 a.m. of eighteenth (18th) February 2009;

Afterwards, based on exceptional reasons, and prior request supported by the Interim Administrator, by means of Resolution S.B.P. No. 077-2009 of 19 March 2009, this Office extended the period of Seizure of Administrative and Operating Control of **STANFORD BANK (PANAMÁ), S.A.** for thirty (30) days;

This Office, by means of Resolution S.B.P. No. 104-2009 of 17 April 2009, ordered the Reorganization of **STANFORD BANK (PANAMÁ), S.A.** to be taken place within a period of sixty (60) days, in order to protect the best interest of depositors and creditors of the Bank, based on Letter I, Number 4 of Article 16 and Article 141 of the Banking Law;

The Reorganization period, fixed by means of Resolution S.B.P. No. 104-2009 of 17 April 2009, was extended for an additional period of 60 days, from 7:01 a.m. of 19 June 2009, in virtue of Resolution S.B.P. No. 140-2009 of 18 June 2009, based on exceptional reasons supported by the Reorganizer, as it is allowed by Article 142, Number 3 of the Banking Law;

Among the reasons taken into consideration to order both the Reorganization of **STANFORD BANK (PANAMÁ), S.A.** and the abovementioned extension, was allowing the submission of tenders for the acquisition of the 100% of the shares of the Bank, led, within a framework of negotiations, to the evaluation of several proposals by the Trustee appointed by the Judge of the District of Dallas, Texas, United States of America, who exercises the economic rights over the shares of the holding of **STANFORD BANK (PANAMÁ), S.A.** and who accepted the proposal made by a group of investors;

It is worth mentioning that from the beginning of the Reorganization period it was focused and skillfully developed the strategy to facilitate to the Trustee the sale of the shares of the bank as a mean to get the cooperation of the authorities of the United States of America in defrosting the Bank's assets that were outside the national jurisdiction;

The Superintendency of Banks issued a preliminary no objection opinion to the transfer of the shares in question, in favor of a group of investors, committing themselves to complete the information and the relevant requirements according to the provisions of Rule 1-2004, in order to obtain from this Office, after the concerning analysis, the authorization to formalize the acquisition of the shares of **STANFORD BANK (PANAMÁ), S.A.**;

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To allow the investor Group to comply with the requirements that would allow them a final approval to the transfer of shares, which by means of Resolution S.B.P. No. 187-2009 of 17 August 2009, an extension to the Reorganization period of ninety (90) days, from 18 August 2009;

In fact, "**STRATEGIC INVESTORS GROUP INC.**" corporation organized according to the laws of the Republic of Panama, and registered in Document 675348 Number 1649734 of the Microfilms (Mercantile) Section of the Public Registry of Panama, submitted to this Office, on 9 November 2009, a formal request to acquire the total shares of **STANFORD BANK (PANAMÁ), S.A.**;

In order to allow: (1) the formalization of the transfer of shares of the Bank to the new shareholders, (ii) to conclude satisfactorily the Reorganization, and (iii) to restart the operations of the Bank as it was previously ordered by means of Resolution S.B.P. No. 256-2009 of 13 November 2009, which extended for 90 days the reorganization period of **STANFORD BANK (PANAMÁ), S.A.**;

Due that **STRATEGIC INVESTORS GROUP INC.** managed to complete all the required information according to Rule 1-2004, within the first week of January 2010, this Office issued, on 5 January 2010, the Notice to the Public referred to in Article 9 of Rule 1-2004, which was published in a newspaper of nationwide circulation;

After fifteen (15) calendar days after the publication of the Notice referred to in the previous paragraph, and having no objections from the public regarding such, and determining also that the purchasing company complies with all information required by the existing banking legislation, this Superintendency of Banks, by means of Resolution S.B.P. No. 028-2010 of 2 February 2010, authorized the acquisition of the 100% of the shares of **STANFORD BANK (PANAMÁ), S.A.**, currently under control of **STANFORD INTERNATIONAL HOLDINGS (PANAMÁ), S. A.**, by **STRATEGIC INVESTORS GROUP INC.**;

On 10 February 2010, the Judge of the District of Dallas, Texas, United States of America, issued the "Civil Action No. 3:09-VC-298-N" by means of which the authorized the Trustee of the economic rights over the shares of the holding of **STANFORD BANK (PANAMÁ), S.A.**, appointed by him to proceed with the sale, among others, of the property of **STANFORD INTERNATIONAL HOLDING, (PANAMÁ), S.A.**;

As the result of the strategy and efforts made at the time, and later by the Interim Administrator, with the support of the Trustee referred to in the previous paragraph, in August 2009 was achieved the release of assets in the United States of America and on 9 November 2009, was obtained the order of the Attorney General of Switzerland for the release of assets in that jurisdiction, thereby achieving judicial defrost of 100% of the funds and assets of the Bank;

The repatriation process and seizure of control of funds and assets, as the next step to follow after the release orders were given, was one of the functions that demanded extra effort for the Reorganization. Nevertheless, it was not until 21 December 2009 that was achieved the availability of 95% of funds and assets of **STANFORD BANK (PANAMÁ), S.A.**, and on 18 February 2010 the 100% was achieved;

In order to provide the time strictly necessary to resolve the pending issues for the transfer of the shares, it was ordered by means of Resolution S.B.P. No. 041-2010 of 12 February 2010, a new extension to the Reorganization period until 21 March 2010;

The Directors of **STRATEGIC INVESTORS GROUP INC.** have entered into an agreement with the Trustee, appointed by the Judge of the District of Dallas, Texas, United States of America, who exercise control over the shares of the holding of the Bank for the sale of the 100% of the shares of **STANFORD BANK (PANAMÁ), S.A.**

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From the abovementioned Agreement raises the formalization of the transfer of the shares and therefore for the acquisition of the shares of **STANFORD BANK (PANAMÁ), S.A.** under control of **STANFORD INTERNATIONAL HOLDINGS (PANAMÁ), S.A.** by **STRATEGIC INVESTORS GROUP INC.**, as it was previously approved by means of Resolution S.B.P. No. 028-2010 of 2 February 2010.

As it was evaluated by this Office, when issuing the Resolution S.B.P. No. 028-2010 of 2 February 2010, the new Board of Directors of **STANFORD BANK (PANAMÁ), S.A.** will consist of the following gentlemen:

Name	Position	ID Document
George Francis Novey De La Guardia	Director – President	ID No. 8-193-553 of the Republic of Panama
Arturo Del Valle Cueto	Director – Vice President	Passport No. 014111626 of the Bolivarian Republic of Venezuela
Ramón Fernández Quijano	Director – Secretary – Treasurer	ID No. 8-378-388 of the Republic of Panama
Ellis Cano Plata	Director	ID No. 8-210-1430 of the Republic of Panama

STRATEGIC INVESTORS GROUP INC., on 17 March 2010 provided a final document that consists of the “Plan to Reopen and Normalize Operations of **STANFORD BANK (PANAMÁ), S.A.**” which was approved by this Office by means of letter SBP-DJ-1348-2010 of 23 March 2010.

The approved Plan to Reopen and Normalize Operations include, among others, the following matters of importance to depositors and creditors:

1. Start of Operations:
 - a. The Bank will start close-doors operations, after the Reorganization is lifted, from 1 April 2010.
 - b. On 12 April 2010 will be started an Immediate Liquidity to Customers Plan up to 80% of balances maintained in the Bank, to a competitive rate, maximum of 2% Spread. The Bank will establish the customers service strategy addressed to the customers referred to in this paragraph and others who may require so.
 - c. For 30 April 2010 shall be send out to customers their Statements of Account that will include balances and interests calculated up to 31 March 2010.
2. Opening to the public: It was proposed and accepted, by this Office, the commitment of the new shareholders to **start open-doors operations on 31 May 2010**, from which the customers of **STANFORD BANK (PANAMÁ), S.A.**, will have 100% availability of:
 - a. Demand deposits and interests.
 - b. Term deposits and interest, after applying the exception guidelines of paragraph 3.a of this Resolution, of those that are expired.
 - c. Earned interests of fixed term deposits until their last maturity.
3. Exception guideline to release deposits and payment of interests:
 - a. Based on Article 148 of the baking Law and specifically on the Fixed Term Contracts signed with depositors, it was authorized that fixed term deposits, matured during the Seizure of Administrative and Operating Control and the Reorganization, should be renewed for the term originally agreed not exceeding one-year term, as many times as necessary to be expired after 31 March 2010.

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- b. To calculate and pay interests over deposits, it was approved, as set forth in Article 148 of the Banking Law cited above:
 - i. The Savings Accounts Deposits – from the seizure of control from February 2009 to 31 March 2010, be paid according to an average market interest rate (Panamanian banks) for 2009, according to the information posted by the Superintendency of Banks.
 - ii. Fixed Term Deposits to maintain the rate originally agreed until the original expiration date.
 - iii. The Fixed Term Deposits renewed during the Reorganization, to be paid according to an average market interest rate (Panamanian Banks) for 2009, according to the terms originally agreed.
4. Payment of credits: In the Plan to Reopen and Normalize Operations of **STANFORD BANK (PANAMÁ), S.A.**, the Reorganizer of the Bank was authorized to pay the obligations to third parties, different from the public deposits, registered in books of **STANFORD BANK (PANAMÁ), S.A.**, which includes payment to suppliers, unpaid wire transfers, Draft's checks issued, balance in favor of Banks of the center.

Previously, this Superintendency of Banks had authorized to the Reorganizer to exercise the powers necessary to commit, facilitate and foster the required contracts, especially on technology matters, as allowed in Article 145, Number 6 of the Banking Law;

Prior the authorization request to be soon submitted by the interested parties to the consideration of this Office, the new owners of **STANFORD BANK (PANAMÁ), S.A.** are foreseen to use a new corporate name, which implies the registration of a new trademark, facilitating a new image and fostering an enhanced service to current and future customers;

Having been resolved the grounds on which came first, the Seizure of Administrative and Operating Control and then the Reorganization Measure of **STANFORD BANK (PANAMÁ), S.A.**, and having successfully managed the transfer of shares, as a vehicle designed to better satisfy the interests of depositors and creditors, in accordance with Article 153 of the Banking Law it is the duty of the Superintendent to order the termination of the Reorganization.

RESOLVES:

FIRST: **TO CONCLUDE AND LIFT**, from 1 April 2010, the **Reorganization of STANFORD BANK (PANAMÁ), S.A.**, a corporation registered in Document 427208, Number 419999 of the Microfilms (Mercantile) Section of the Public Registry of Panama, holder of a General License granted by this Superintendency of Banks by means of Resolution No. 033-2005 of 1 April 2005.

SECOND: **TO PROVIDE** to the new Directors, referred to above, the administration and control of **STANFORD BANK (PANAMÁ), S.A.** from the date the Reorganization measure is lifted.

THIRD: **TO ORDER** to the new owners, Directors, Dignitaries, and Administrators of **STANFORD BANK (PANAMÁ), S.A.**, to adjust to the Plan to Reopen and Normalization of Operations, as it was previously approved by this Superintendency of Banks by means of letter SBP-DJ-1348-2010 of 23 March 2010.

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- FOURTH:** **TO ORDER** to display a Notice, for five (5) business days, in a public and visible place of the main establishment of the Bank and its branches, which shall contain a transcription of this Resolution.
- FIFTH:** **TO ORDER** the publication of this Resolution for five (5) business days in a newspaper of nationwide circulation.
- SIXTH:** **TO ORDER** to the Public Registry to rescind all marginal notes registered that were given due to the Seizure of Administrative and Operating Control, provided by means of Resolution S.B.P. No. 057-2009 of 17 February 2009 and its extension provided by means of Resolution S.B.P. No. 077-2009 of 19 March 2009.
- SEVENTH:** **TO ORDER** to the Public Registry to rescind all marginal annotations registered that were given due to the Reorganization, provided by means of Resolution S.B.P. No. 104-2009 of 17 April 2009 and its extensions provided by means of Resolution S.B.P. No. 140-2009 of 18 June 2009, Resolution S.B.P. No. 187-2009 of 17 August 2009, Resolution S.B.P. No. 256-2009 of 13 November 2009, and Resolution S.B.P. No. 041-2010 of 12 February 2010 on **STANFORD BANK (PANAMÁ), S.A.**, corporation registered in Document 427208, Number 419999 of the Microfilms (Mercantile) Section of the Public Registry of Panama, holder of a General License granted by this Superintendency of Banks by means of Resolution No. 033-2005 of 1 April 2005 until 31 March 2010.
- EIGHTH:** **TO ORDER**, also to the Public Registry to **rescind the registered appointment of JAIME DE GAMBOA GAMBOA**, with ID No. E-8-95145, as Reorganizer of **STANFORD BANK (PANAMÁ), S.A.**
- NINTH:** This Resolution can only be impugned by means of a Contentious-Administrative Appeal of full jurisdiction before the Third Chamber of the Supreme Court of Justice and will not suspend the effects of the administrative act.
- TENTH:** This Resolution will be enacted from the expiration of the Reorganization extension period this means, **from 1st April, two thousand ten (2010).**

LEGAL GROUNDS: Articles 141 to 153 of the Banking Law (Decree Law 9 of 1998, amended by Decree Law 2 of 22 February 2008, and ordered as a Sole Text by means of Executive Decree No. 52 of 30 April 2008).

Given in the city of Panama, on thirty-first (31st) March, two thousand ten (2010).

LET IT BE KNOWN, PUBLISHED AND ENFORCED,

Alberto Diamond R.
Superintendent of Banks

/jca