

TRANSLATION

Republic of Panama Superintendency of Banks

RESOLUTION SBP-0063-2015
(dated 7 April 2015)

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

CONSIDERING:

That **BANCA PRIVADA D'ANDORRA (PANAMÁ) S.A.** is a corporation filed under Folio 737102 (S) in the Mercantile Section of the Public Registry of Panama and the holder of an International Banking License granted by means of Resolution SBP 154-2011 dated 11 November 2011, which allows the bank to execute transactions to be concluded, consummated or have effect abroad from an office established in the Republic of Panama;

That by means of Resolution SBP-0053 dated 10 March 2015 and based on the provisions established in Articles 131 and 132 of the Banking Law, the Superintendency of Banks of Panama ordered the Seizure of Administrative and Operating Control of **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** as of two o'clock (2:00 p.m.) on Wednesday, March 11, 2015;

That Article 133 of the Banking Law provides that the term of the interim administration will be no longer than thirty (30) days, unless the Superintendent decides to extend it due to exceptional circumstances and based on a justified request of the administrator. In this case, the extension shall not be longer than thirty days;

That the thirty- (30) day period referred to in Article 133 of the Banking Law expires on 10 April 2015;

That prior to the expiration of the thirty- (30) day period above, the Interim Administrator appointed by the Superintendency submitted a report on the Bank's situation and its environment, requesting an extension of the period of Seizure of Administrative and Operating Control, in order to conclude the process of repatriation of the Bank's funds that are still held by the Parent Company and in other jurisdictions, as well as to clarify the view of the future viability of the Bank in Panama;

That after the analysis and evaluation of the request submitted by the Interim Administrator and based on the cited Article 133, the Superintendency has deemed it advisable and appropriate to extend the period of the Seizure of Administrative and Operating Control, since the Interim Administrator is arranging for real and assured access to the Bank's assets in various jurisdictions, including the Parent Company of **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.**, to be able to pay its depositors;

That besides this and according to the Interim Administrator's report, **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** has good asset quality and good levels of capitalization, and shows no signs of having been contaminated by its Parent Company's compliance issues related to Money Laundering;

That pursuant to subparagraph 4 of paragraph I of Article 16 of the Banking Law, the Superintendent of Banks has the authority to order the Seizure of Administrative and Operating Control of Banks in those cases provided for in this Law and, therefore,

RESOLVES:

FIRST: TO EXTEND THE SEIZURE OF ADMINISTRATIVE AND OPERATING CONTROL OF **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.**, a corporation filed under Folio 737102 (S) in the Mercantile Section of the Public Registry of Panama and the holder of an International Banking License granted by means of Resolution SBP 154-2011 dated 11 November 2011, for an additional period of up to thirty (30) days from the expiration of the term indicated in Resolution SBP-0053-2015 dated 10 March 2015,.

SECOND: TO MAINTAIN the appointment of Mr. Jaime De Gamboa Gamboa, holder of personal identification card No. E-8-95145, as Interim Administrator of **BANCA**

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PRIVADA D'ANDORRA (PANAMÁ), S.A., to exercise exclusive legal representation of the bank on behalf of the Superintendency, with the powers and duties the Superintendency may determine, including, from the time of the Seizure of Administrative and Operating Control of the Bank and without prejudice to others that may later be determined:

- a) To stop or limit payment on the bank's obligations during a period that will in no case exceed the period of seizure of control;
- b) To comprehensively investigate the accounts held in **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** and to determine whether there is any connection with the cases indicated by the United States Department of the Treasury or with other money laundering cases;
- c) To employ any additional personnel necessary and to dismiss those employees whose fraudulent or negligent actions have caused the seizure of control;
- d) To manage the bank's correspondence;
- e) To make an inventory of the Bank's assets and liabilities and to submit a copy of this report to the Superintendency;
- f) To request the transference and disposal of funds held on behalf of **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.** in any bank account or jurisdiction to protect the best interests of depositors and creditors;
- g) Any other powers that the Superintendency may authorize for a given purpose, based on the Interim Administrator's detailed request.

THIRD: TO ORDER the posting of this Notice in a visible and public place of the Bank's main offices, providing a copy of this Resolution on the measure and indicating the day and time of the extension of the Seizure of Administrative and Operating Control.

FOURTH: TO ORDER the publication of this Resolution in a newspaper with broad national circulation for five (5) business days.

FIFTH: TO ORDER the Public Registry to make the relevant marginal notations of the extension of the Seizure of Administrative and Operating Control of **BANCA PRIVADA D'ANDORRA (PANAMÁ), S.A.**, filed under Folio 737102 (S) in the Mercantile Section of the Public Registry of Panama, and the continuation of Mr. Jaime De Gamboa Gamboa as the Bank's Legal Representative, acting as Interim Administrator of the Bank.

SIXTH: This Resolution shall become effective at the expiration of the term hereby extended.

As provided for in Article 135 of the Banking Law, this Resolution may be appealed to the Third Chamber of the Supreme Court of Justice, which has full jurisdiction over administrative litigation.

The filing of an appeal against this Resolution does not suspend the Seizure of Control or its effects, because the seizure protects a social interest.

LEGAL GROUNDS: Article 16, Paragraph I, Subparagraph 4; Article 3, Paragraph 16; Article 131 and following articles of Decree Law 9 of 1998, as amended by Decree Law 2 of 1998, re-edited as a consolidated text and adopted by Executive Decree 52 of 2008 (Banking Law).

Given in the city of Panama on the seventh (7th) day of April, two thousand fifteen (2015).

FOR COMMUNICATION, PUBLICATION AND ENFORCEMENT,

THE SUPERINTENDENT OF BANKS,

Ricardo G. Fernandez D.

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