

TRANSLATION

Republic of Panama Superintendency of Banks

RESOLUTION SBP-0036-2017
(dated 8 March 2017)

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

WHEREAS:

FPB BANK, INC. is a corporation established and existing according to the Laws of the Republic of Panama and filed on 31 December 2004 on Page 471857 (S) in the Mercantile Section of the Public Registry. The bank, after holding an International Banking License granted by means of Resolution SB 028-2005 dated 28 March 2005, currently holds a General License granted by the Superintendency by means of Resolution SBP 151-2011 dated 27 October 2011;

By means of Resolution SBP-0022-2017 dated 10 February 2017 and based on the provisions of Articles 131 and 132 of the Banking Law, the Superintendency of Banks resolved to Seize Administrative and Operating Control of **FPB BANK, INC.** effective 10 February 2017;

This measure was taken as a proper means of safeguarding the interests of the Bank's depositors, due to the fact that the investigations being conducted in Brazil related to the "Lava Jato" Operation, which involves a Panamanian law firm, involve **FPB BANK, INC.** as the bank used to open bank accounts for customers abroad. This situation represents a legal and reputational risk, considering that most of the bank's business and risks are in Brazil;

Article 133 of the Banking Law provides that the term of the interim administration will not be longer than thirty (30) days – a period that expires on Sunday, 12 March 2017 – except when due to exceptional circumstances and based on a substantiated request of the Administrator, the Superintendent decides to extend it, in which case the extension shall not be longer than thirty days;

The Interim Administrator, having made some progress in computer security, operations, the assets and liabilities portfolios and in the brokerage firm's operations has requested the extension of the Seizure of Administrative and Operating Control to conclude the verification of the bank's investment loan, deposit and business portfolios and to prepare the relevant recommendations;

After the relevant analysis of the Interim Administrator's request, the Superintendent of Banks deems it appropriate to provide him more time to conclude the comprehensive assessment of the Bank;

Pursuant to subparagraph 4 of paragraph I of Article 16, Article 131 and following articles of the Banking Law, the Superintendent of Banks has the authority to order the Seizure of Administrative Control of Banks and its extension thereof;

RESOLVES:

ONE: TO EXTEND the SEIZURE OF ADMINISTRATIVE AND OPERATING CONTROL of **FPB BANK, INC.**, a corporation established and existing according to the Laws of the Republic of Panama, filed on Page 471857 (S) in the Mercantile Section of the Public Registry and the holder of a General License granted by the Superintendency by means of Resolution SBP 151-2011 dated 27 October 2011, for an additional period of thirty (30) days from the expiration of the term provided in Resolution SBP-0022-2017 dated 10 February 2017.

TWO: TO MAINTAIN in effect all of the parts of Resolution SBP-0022-2017 dated 10 February 2017 that are not superseded by this Resolution, including the suspension of

TRANSLATION

Page 2 of 2
Resolution SBP-0036-2017

operations and the appointment of the Interim Administrator with the duties provided in Article Three of that Resolution.

THREE: **TO ORDER** the posting of a Notice in a visible and public place in the Bank's main and branch offices, providing a copy of this Resolution on the measure and indicating the date and time of the enactment of the EXTENSION of the Seizure of Administrative and Operating Control of **FPB BANK, INC.**

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

FIVE: **TO ORDER** the Public Registry to make the relevant marginal notations of the EXTENSION of the Seizure of Administrative and Operating Control of **FPB BANK, INC.**, a corporation established and existing according to the Laws of the Republic of Panama and filed on Page 471857 (S) in the Mercantile Section of the Public Registry, ordered by means of Resolution SBP-0022-2016 dated 10 February 2017, as well as to maintain Mauricio Rodriguez Vargas as Interim Administrator and the Legal Representative of **FPB BANK, INC.**

SIX: This Resolution shall become effective at three thirty post meridiem (3:30 p.m.) on Sunday, twelve (12) March 2017.

As provided 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 Administrative Act because the seizure protects a social interest.

LEGAL GROUNDS: Article 16, Paragraph I, Subparagraph 4; Article 131 and following articles of the Banking Law (Decree Law 9 of 1998, whose Consolidated Text was adopted by Executive Decree 52 of 2008) and its amendments.

Given in the city of Panama on the eighth (8th) day of March, two thousand seventeen (2017).

FOR COMMUNICATION, PUBLICATION, AND ENFORCEMENT,

THE SUPERINTENDENT OF BANKS,

Ricardo G. Fernandez D.