

Republic of Panama
Superintendency of Banks

RESOLUTION SBP-0080-2018
(dated 14 June 2018)

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

WHEREAS:

INTERNATIONAL UNION BANK, S.A. is bank organized and established according to the Laws of Panama and authorized exclusively to execute transactions to be conducted, consummated or have effect abroad from an office established in Panama, granted by the National Banking Commission (today known as Superintendency [of Banks]) by means of Resolution 22-81 dated 20 July 1981;

INTERNATIONAL UNION BANK LLC is a corporation incorporated according to the laws of the Commonwealth of Puerto Rico, United States of America, and authorized to run an International Financial Entity (IFE);

Through their registered agents, **INTERNATIONAL UNION BANK, S.A.** and **INTERNATIONAL UNION BANK LLC** have jointly requested authorization for the purchase/sale of portfolios and/or transfer or cession of deposits;

The transfer of certain assets and liabilities held by **INTERNATIONAL UNION BANK, S.A.** to **INTERNATIONAL UNION BANK LLC.** is the result of the bank's strategic decision to cease banking operations in Panama and relocate [these operations] to the jurisdiction of Puerto Rico;

According to the proposed plan, the process will be conducted in two (2) stages. During the first stage, 40% of certain assets and liabilities are planned to be transferred and ceded by **INTERNATIONAL UNION BANK, S.A.** to **INTERNATIONAL UNION BANK LLC.**;

In accordance with Rule 2-2004, the Superintendency's authorization is required to transfer bank assets and liabilities;

After the relevant analyses, the request submitted by **INTERNATIONAL UNION BANK, S.A.** and **INTERNATIONAL UNION BANK LLC.** raises no objections. However, in order to back up the liabilities left after the transfer of liabilities/assets, **INTERNATIONAL UNION BANK, S.A.** will be required to maintain the securities identified by the Superintendency within the process of the request for authorization process to conduct the purchase/sale of portfolios and/or transfer or cession of deposits until the end of the process;

By virtue of the provisions of Subparagraph 27, Paragraph I of Article 16 of the Banking Law, the Superintendent is the approving authority for all matters that are not expressly reserved for the Board of Directors.

RESOLVES:

ONE: To authorize **INTERNATIONAL UNION BANK, S.A.** and **INTERNATIONAL UNION BANK LLC.** to conduct the sale of certain assets and liabilities, up to 40% of the total of these from **INTERNATIONAL UNION BANK, S.A.** to **INTERNATIONAL UNION BANK LLC.** pursuant to the conditions established by the Superintendency.

TWO: As provided for in Article 6 of Rule 2-2004 and within five (5) calendar days following the notification of this Resolution, the requestors must publish a Notice for three (3) consecutive business days in a newspaper with nationwide circulation informing [the public] of the approval of this transaction.

This Resolution can be challenged by means of a Recourse of Reconsideration that must be substantiated within five (5) business days after the notification of the Resolution. It can also be appealed to the Board of Directors of the Superintendency, substantiated within five (5) business days after notification of this Resolution or the Resolution deciding on the Recourse of Reconsideration.

LEGAL GROUNDS: Subparagraph 27, Paragraph I of Article 16 of the Banking Law and Rule 2-2004 dated 29 December 2004.

Given in the city of Panama on the fourteenth (14th) day of June, two thousand eighteen (2018).

FOR COMMUNICATION, PUBLICATION, AND ENFORCEMENT,

THE SUPERINTENDENT OF BANKS,

Ricardo G. Fernandez D.