

CERTIFIED TRANSLATION

Republic of Panama Superintendency of Banks

May 14, 2002

CIRCULAR No. 23-2002

Mr. General Manager
In Your Office.

Manager, Sir:

As you know, Article 71 of Decree-Law No. 9 of February 26 1998, establishes that no Bank conducting the Banking Business in or from Panama may merge or consolidate or sell all or part of the assets held thereby, when that is equivalent to a merger or consolidation without the prior authorization of the Superintendency.

In their turn, numerals 5 and 6 of Article 17 of Decree-Law No. 9 of 1998 establish that the authorization of merger and the consolidation of Banks and Economic Groups whereon Banks make a part are attributions of the Superintendent, as well as the authorization for the acquisition and transfer of shares of stock of Banks or Economic Groups whereof Banks make a part of, when, by virtue thereof, the acquirer or other natural or legal entities linked to them, become their total or majority owners or begin to have control of their administration.

To the end of avoiding anomalies that could jeopardize the interest of depositors, the stability of the Bank or the solidity of the banking system, every Bank or Economic Banking Group whereof the Bank makes part, wishing to merge or consolidate, shall, before announcing its intentions publicly inform it in writing to the Superintendence of Banks, making of record the merger project approved by the Board of Directors of the Banks and the tentative date whereon the Shareholders' meetings of the interested banking entities are to be held.

Once the merger or consolidation has been approved by the respective Shareholders' Meetings, the formal request for authorization to merge or consolidate shall be submitted to the Superintendency of Banks by the Banks, duly represented by a Special Attorney. The request for authorization shall be accompanied by the following documentation:

1. Power of Attorney granted by both Banks to the Special Attorney;
2. Request for authorization to merge or consolidate;

3. Minutes of the Shareholders' Meetings of both Banks wherein it is made of record the approval of the merger or consolidation;
4. Approved merger or consolidation agreement;
5. Certificates of the Public Registry of the banking entities reflecting the information in force and effect at the time of the merger or consolidation;
6. Audited Financial Statements of both Banks, with closing on the last day of the month previous to the date of the Merger or Consolidation Agreement, as well as Financial Statements projected as a result of the merger or consolidation;
7. Organizational and operative structure resulting from the merger or consolidation;
8. Merger plan duly approved by the Banks involved, containing the schedule of implementation of the merger program; and
9. Any other documentation that is required by the Superintendency of Banks.

Once the authorization for the merger or consolidation has been conceded by the Superintendency of Banks, the Banks petitioners shall complete all of the acts conducive to the formalization of the merger or consolidation from the juridical, administrative and operative point of view, within a period of time which shall not exceed six (6) months, counted from the Resolution authorizing the merger or consolidation.

In the cases of acquisition or transfer of shares of stock of Banks or Economic Groups whereof Banks make a part, it shall likewise be complied with prior communication, making or record in their communication the form wherein the shares of stock are to be acquired or transferred and the tentative date whereon the Shareholders' Meetings of the interested banking entities are to be held.

The formal petition for authorization or transfer of shares of stock shall be submitted jointly by the interested institutions, duly represented by a Special Attorney. The request for authorization shall be accompanied by the following documentation:

1. Power of Attorney granted to the Special Attorney by the corporations shareholders of Banks or Economic Groups whereon the Banks make a part;
2. Request of authorization to acquire or transfer shares of stock;
3. Minutes of the Shareholders' Meetings of the corporations shareholders of Banks or Economic Groups whereof Banks make a part, wherein it is made of record the approval of the merger or consolidation;
4. Agreement for the acquisition or transfer of shares;
5. Certificates of the Public Registry of the banking entities reflecting the information in force and effect at the time of the acquisition or transfer of shares;
6. Audited Financial Statements of both Banks, closing the last day of the month previous to the date of the Agreement for the acquisition or transfer of shares of stock;

7. Organizational and operative structure resulting after the acquisition or transfer of shares, and
8. Any other documentation that is required by the Superintendency of Banks.

Yours truly,

Delia Cárdenas
Superintendent

THE ABOVE IS A FAITHFUL TRANSLATION OF THE ORIGINAL DOCUMENT IN SPANISH PRESENTED TO ME. Panama, June 2, 2003. Mireya Delgado Debali, Certified Public Translator, Resolutions No. 209 and 304.