

**Republic of Panama
Superintendency of Banks**

January 4, 2005.
CIRCULAR CFL 3-85 No. 1-2005.

General Manager

Ref.: Residencial Mortgage Loans
(Law 3-85 11/90, 5/94, 28/95, 30/99, 50/99 and
65/2003).

Dear Sir:

In attention to the provisions set forth in Article 4 of Law No. 3 of May 20, 1985, prorogated in its duration and modified in its Article 5 by Law No. 65 of October 29, 2003, "Whereby it is established a regime of preferential interests in certain Mortgage Loans", we inform you that the Weighed Average Mortgage Interest Rate (TIPPO) calculated for the First Quarter of the year 2005, is established in SEVEN POINT PERCENT (7.00%).

There being no other particular, we remain,

Yours truly,

Delia Cárdenas
Superintendent