

**REPUBLIC OF PANAMA
SUPERINTENDENCY OF BANKS**

December 29, 2005

CIRCULAR CFL 3-85 No. 1-2006

Sir
General Manager

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

Dear Manager:

Regarding what is stipulated in Article 4 of Law No. 3 of May 20, 1985, whose effect was extended and its Article 5 was modified by Law No. 65 of October 29, 2003, "Whereby preferential interest rules are stipulated in certain Mortgage Loans", we hereby notify you that the Weighted Average Interest Rate (WAIR) for Mortgages calculated for the First Quarter of the year 2006 is set at **SEVEN PERCENT PER YEAR (7.00%)**.

Without anything else in particular, we remain yours.

Attentively,

Delia Cardenas
Superintendent