



April 12, 2016
Circular N° SBP-FECI-0047-2016

General Manager

Subject: Interpretation Opinion of the FECI
Commission on "Compensation"

Dear General Manager:

Pursuant to the provisions of Article 3 of Executive Decree 29 dated 8 August 1996, the FECI Commission has the authority to enact the necessary measures to execute Law 4 dated 17 May 1994 and its regulating provisions.

In that sense and as a result of the inquiries received, the FECI Commission hereby clarifies that "repayment" for the recovery of investments is not one of the purposes provided for in the FECI regulation for interest discounts.

Notwithstanding the above, the Commission considers two scenarios viable in obtaining the subsidy for a given loan, taking into consideration special or unforeseen circumstances that the producer may encounter.

Considering this and for relevant purposes, you will find the full text of the abovementioned clarification and criterion enclosed. Furthermore, the link at which you can consult the criterion, known as Criterion 27, under "*Criteria for interpreting the FECI pursuant to inquiries about Withholding,*" can be found at <https://www.superbancos.gob.pa/superbancos/documentos/feci/criteria/Criteria.pdf>

We would greatly appreciate your providing the necessary instructions to your staff for compliance with the provisions of the clarification and criterion referred to herein.

Sincerely yours,

Ricardo G. Fernandez D.
Superintendent

Enc.: a/s