

INSTRUCTIONS MANUAL FOR FILLING OUT THE STATISTICAL INFORMATION FORM RELATED TO TRUST COMPANY RISK OF MONEY LAUNDERING, THE FINANCING OF TERRORISM AND FINANCING THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION

The Statistical Information Form required by the Superintendency is for the risk of money laundering, the financing of terrorism and financing the proliferation of weapons of mass destruction, hereinafter referred to AML/CFT/WMD, which is comprised of an Excel file with six (6) calculation sheets, as follows:

1. Affidavit;
2. Structural and Financial information;
3. Customer risk information;
4. Products and services risk information;
5. Distribution channel risk information; and
6. Geographical area risk information.

The information request is to be submitted on a semi-annual basis. The closing dates will be June 30 and December 31 of each year. The information must be submitted to the Superintendency of Banks of Panama on the 31st day of the month following the closing date of each period.

When filling out the information required in the form, please bear in mind the following:

- Fill out only the cells in gray color
- The amounts must be recorded in the local currency (Balboas [B/.]) without periods, commas or currency symbols
- The file structure must not be added to, deleted or modified
- The date format must be DD/MM/YYYY
- The cells requiring quantities must be filled out without periods, commas or text

I. **AFFIDAVIT:**

Legal grounds:

Law 23 dated 27 April 2015

Rule 4-2014 dated 8 July 2014

It is of the utmost importance to give warning that the information described herein is legally binding institutionally on the reporting entity and personally on the persons reporting this information to the authority.

In that sense, the Trust company hereby certifies that the affidavit and information in the form are true and accurate and authorizes the Superintendency of Banks of Panama to use them for the purposes of monitoring and supervision. This affidavit must state the name and position of the person filling out the document and also the name of the Compliance Officer certifying the truthfulness of the reported information.

1. Report date (DD/MM/YYYY): The date the report is made to this authority. (DD/MM/YYYY format).
2. Report closing date (DD/MM/YYYY): **For one time only** and in order to have information on two (2) different periods, this Statistical Information Form for AML/FT/WMD risk **initially must be submitted for the two semi-annual closing dates of 2016:**

First Report or Document 1. The information report closing date will be **June 30, 2016**. However, for the transactions (Fees, wire transfer transactions, etc.), the **period between January 1 and June 30, 2016** must be considered.

Second Report or Document 2. The information report closing date will be **December 31, 2016**. However, for the transactions (Fees, wire transfer transactions, etc.) the **period between July 1 and December 31, 2016** must be considered.

Subsequently, the reports will be governed by the required reporting dates:

“This information request will be submitted on a semi-annual basis. The closing dates will be June 30 and December 31 of each year. The information must be submitted to the Superintendency of Banks of Panama on the 31st day of the month following the closing date of each period.”

3. Entity name: The name of the entity as recorded in the license granted by this authority.
4. Prepared by: The name and position of the person filling out the document.
5. Compliance Officer Name: The name of the Compliance Officer according to the last notification submitted to the Superintendency.

II. STRUCTURAL AND FINANCIAL INFORMATION OF THE REGULATED ENTITY

A. Regulated entity's general data

1. Compliance Officer's contact telephone: company telephone number for contacting the Compliance Officer directly.

B. Structural and financial information

1. If the entity is the group's Panamanian parent company: If the Trust company is the Panamanian parent company of a financial/economic group, please indicate the name of the financial/economic group. If not applicable, indicate N/A

1.1. Regulated affiliates

1.1.1. How many: If the Trust company is a parent company, indicate the number of regulated affiliates or subsidiaries.

1.1.2. Type of entity(ies): If the Trust company is a parent company, please list the sectors in which the regulated affiliates or subsidiaries operate.

1.2. Foreign affiliates

1.2.1. How many: If the Trust company is the parent company and it has affiliates or subsidiaries abroad, please indicate the number of regulated foreign affiliates.

1.2.2. Type of entity(ies): If the Trust Company is a parent company, please list the sectors in which the regulated foreign affiliates or subsidiaries operate.

1.2.3. Country relationship: If the Trust Company is a parent company with affiliates or subsidiaries abroad, please list the countries in which these affiliates are located.

1.3. Unregulated affiliate companies:

1.3.1. How many: If the Trust Company is a parent company with unregulated domestic or foreign affiliates or subsidiaries, please indicate the quantity.

1.3.2. Type of entity(ies): If the Trust Company is a parent company with unregulated domestic or foreign affiliates or subsidiaries, list the sectors in which the unregulated affiliate companies operate.

2. If the entity is part of a financial group (not the parent company): Please specify the name of the parent company to which it belongs. If not applicable, indicate N/A.
3. Total number of employees of the Trust company: Please indicate the total number of employees dependent on the Trust company, regardless of the type of relationship (appointed, recruited, etc.)
4. Alternate Compliance Officer Name: In case of the temporary absence of the Compliance Officer, the name of the person that will take over the role and responsibilities of the Compliance Officer.
5. Total number of employees in the Compliance Structure: Number of people working in the AML/CFT/WMD unit/area.
6. Monitoring tool name: Name of the tool the Trust company uses in the prevention of ML/CFT/WMD risk.
7. Monitoring tool version: If the previously listed tool has different versions, please list the version the Trust company currently uses.
8. Monitoring tool implementation date: (DD/MM/YYYY) Date in which the Trust company started using the monitoring tool.
9. Date of last update of the monitoring tool: (DD/MM/YYYY) Date of the last update of the monitoring tool.
10. Monitoring tool supplier: If applicable, indicate the name of the monitoring tool supplier.
11. Total red flags generated during the reporting period: The number of red flags generated during the reporting period.
12. Total Suspicious Transaction Reports during the period: Number of STR submitted to the FAU during the reporting period.
13. Cash Transaction Reports (CTR) during the period
 - 13.1. Quantity: Number of CTRs during the period
 - 13.2. Amount: Total value of the cash transaction reports during the reporting period.
14. Total Assets: Corresponds to the total assets on the cut-off date.
15. Total income from commissions: Refers to the commissions generated by:

- 15.1. Commissions from trust administration: The Value of the commissions for the administration of trusts.
- 15.2. Commissions for other services: The value of the commissions for other services.
16. Legislation governing the trust contracts: Refers to the Law under which the trust contracts were constituted.
 - 16.1. In Panama: Corresponds to the number of trust contracts constituted under Panamanian Law.
 - 16.2. In other countries: Corresponds to the number of trust contracts constituted under the Laws of other countries, indicating which countries.

C. Information on AML/CFT/WMD Risk Factors

I. CUSTOMER RISK INFORMATION:

The information on the number of clients and the transactional volume – value of the commissions – is required on the type of clients (settlers) indicated below

1. Settlers classified as Individuals
 - 1.1. Total Nationals: Applies to customers holding Panamanian nationality.
 - 1.2. Total Foreigners: Applies to customers holding foreign nationality.
2. Settlers classified as Legal entities
 - 2.1. Total Nationals: Applies to customers classified as legal entities incorporated in Panama.
 - 2.2. Total Foreigners: Applies to customers classified as legal entities incorporated abroad.
 - 2.3. Bearer share Settlers: Applies to customers who are legal entities holding partially or wholly-owned bearer shares. This does not include customers whose share package consists only of registered shares.

- 2.4. Settlers classified as private interest foundations: Applies to customers identified as private interest foundations.
- 2.5. Settlers classified as nonprofit foundations: Applies to customers identified as nonprofit foundations.
- 2.6. Settlers identified as Not-for-profit Organizations (NPO): Applies to customers identified as Not-for-profit organizations (NPO).
- 2.7. Settlers with contractual relationships with the Government: Applies to customers having contracts with the Government.
3. Settlers classified as Politically Exposed Persons (PEP)
 - 3.1. Nationals: Applies to customers the Trust company has classified as Panamanian PEP.
 - 3.2. Foreigners: Applies to customers the Trust company has classified as Foreign PEP.
4. Other customer classification
 - 4.1. Settlers located in free trade areas: Total number of customers running operations through a free trade area.
 - 4.2. Settlers using elevated amounts of money: The top 100 customers using large amounts of money (Deposits).
5. Settlers classified by risk by the Trust company
 - 5.1. High: Applies to customers the Trust company has classified as high risk.
 - 5.2. Medium: Applies to customers the Trust company has classified as medium risk.
 - 5.3. Low: Applies to customers the Trust company has classified as low risk.

2. PRODUCTS AND SERVICES RISK INFORMATION:

List of Assets

Information is required on the number of contracts, the value of the trust assets and their location for the following products.

Types of contracts

1. Administrative trust: A Trust in which the settlor turns over assets or rights to the trustee for their administration according to a contract.
 - 1.1. Assets in Panama: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama.
 - 1.2. Foreign assets: Corresponds to the number of contracts and the value of the trust assets and rights located in other countries.
 - 1.3. Assets in Panama and other countries: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama and other countries.
 - 1.4. Assets in a free zone: Corresponds to the number of contracts and the value of the trust assets and rights located in free zones.
2. Investment Trust: A Trust in which the settlor turns over a determined amount of money to the trustee for his profitable investment.
 - 2.1. Assets in Panama: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama.
 - 2.2. Foreign assets: Corresponds to the number of contracts and the value of the trust assets and rights located in other countries.
 - 2.3. Assets in Panama and other countries: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama and other countries.
 - 2.4. Assets in a free zone: Corresponds to the number of contracts and the value of the trust assets and rights located in free zones.
3. Pledge Trust: A Trust created as a guarantee of fulfillment of an obligation entered into by the settlor.

- 3.1. Assets in Panama: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama.
- 3.2. Foreign assets: Corresponds to the number of contracts and the value of the trust assets and rights located in other countries.
- 3.3. Assets in Panama and other countries: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama and other countries.
- 3.4. Assets in a free zone: Corresponds to the number of contracts and the value of the trust assets and rights located in free zones.
4. Underlying asset Trust (Securitization): A Trust in which the settlor turns over assets or rights to the trustee, who in turn issues securities based on the value of the assets plus future earnings, to be placed on the open market.
5. Mortgage or construction trust: A Trust in which the settlor transfers real estate to the trustee to be managed for real estate project development.
 - 5.1. Assets in Panama: Corresponds to the number of contracts and the value of the trust assets and rights located in Panama.
 - 5.2. Foreign assets: Corresponds to the number of contracts and the value of the trust assets and rights located in other countries.

List of Services by Risk
Services

6. Other corporate services: any other activity or service not covered by the Trust business. This will require listing the activities or services, the number of clients and the value of the commissions.

3. INFORMATION ON DISTRIBUTION CHANNEL RISK:

The information on the number of clients and the transactional volume – total value of the trust assets and/or rights – is required for the distribution channel risk Indicated below.

1. Subscription of Trust contracts referred by local entities of the group to which the Trust company belongs: The number of clients (settlers) brought to the Trust company by local entities belonging to the economic or financial group to which the Trust company belongs, as well as the total Trust assets and rights, is required.
2. Subscription of Trust contracts referred by foreign entities of the group: The number of clients (settlers) brought to the Trust company by foreign entities belonging to the economic or financial group to which the Trust company belongs, as well as the total Trust assets and rights, is required.
3. Subscription of Trust contracts referred by local intermediaries: The number of clients (settlers) brought to the Trust company by local intermediaries, as well as the total Trust assets and rights, is required.
4. Subscription of Trust contracts referred by foreign intermediaries: The number of clients (settlers) brought to the Trust company by local intermediaries, as well as the total Trust assets and rights, is required.

4. Information on geographic zone risk:

The information on the number of customers (settlers) and the transactional volume – total trust assets and rights – are required for geographic zone risk listed below,:

1. (Panamanian) domestic zone: These variables correspond to the number of clients (settlers) domiciled in Panama. Additionally, taking into consideration the risk classification adopted by the trust company, please choose the appropriate risk level (high, medium, low) and the total transactional volume – total trust assets and rights – for each of the national geographic zones listed in 1.1 through 1.10
 - 1.1. Province of Bocas del Toro
 - 1.2. Province of Coclé
 - 1.3. Province of Colon
 - 1.4. Province of Chiriquí
 - 1.5. Province of Darién
 - 1.6. Province of Herrera
 - 1.7. Province of Los Santos
 - 1.8. Province of Panamá
 - 1.9. Province of Veraguas
 - 1.10. Province of Panamá Oeste

2. International zone: Corresponds to the domiciliary country declared by the customer (settlor).
 - 2.1. Jurisdictions subject to United Nations (UN) sanctions: Corresponds to customers domiciled in countries subject to UN sanctions. Requires the name of the country, the number of clients and the total trust assets and rights.
 - 2.2. Countries listed by the FATF due to control failure: Corresponds to customers domiciled in countries subject to FATF sanctions. Requires the name of the country, the number of clients and the total trust assets and rights.
 - 2.3. Other high-risk countries according to the analysis conducted by the trust company: Corresponds to customers domiciled in other countries designated high-risk by the Trust company. Requires the name of the country, the number of clients and the total trust assets and rights..

Please remember that:

1. The information must be submitted digitally in Excel format via e-mail (soporte@superbancos.gob.pa)
2. Any inquiries about this requirement should be submitted via e-mail (soporte@superbancos.gob.pa)