

**REPUBLIC OF PANAMA
SUPERINTENDENCY OF BANKS**

AGREEMENT NO. 1-2005.
(Of January 24, 2005.)

THE BOARD OF DIRECTORS
In use of its legal powers, and

CONSIDERING THAT:

Article 19 of Decree Law 9 of February 26 1998 creates the Banking Regulation and Supervision Rate under the charge of the banks established in Panama and in favor of the Superintendency of Banks; and that it is the duty of this Board of Directors to fix the criteria for the application of the Banking Regulations and Supervision Rate, as well as the amount of said rate for the present year and for the next years.

By means of its Agreement No. 1-98 of June 24 1998, this Board of Directors established different criteria for the calculation and collection of the Banking Regulation and Supervision Rate every year;

In work sessions of the Superintendency, it has become evident the need to review the convenience of the rule of the Banking Regulation and Supervision Rate for those Banks that are found in voluntary or forceful liquidation.

AGREES:

ARTICLE 1: Article Third of Agreement No. 1-98 of June 24 1998 modified by Article First of Agreement 2-2001 of May 15 2001 shall remain as follows:

“ARTICLE 3: OPPORTUNITY AND TERMS OF PAYMENT. The amount of the banking regulations and supervision rate corresponding to each Bank shall not be reimbursed and shall be paid in advance to the Superintendency in the first year of the duration of the respective license, within the first twenty (20) business days counted from the publication of the Resolution granting the respective License in the Official Gazette, and in accordance with the proportion established in Article 4 of this Agreement.

During the years following to the granting of the license, the Banking Regulation and Supervision Rate shall be paid in its totality and in advance within the first twenty (20) business days of the month of January of every year.”

In the cases of Banks whose liquidation extends beyond the calendar year wherein it started, the Banking Regulation and Supervision Rate shall be paid on a monthly basis until the cancellation of its Banking License, at the rate of one twelfth (1/12) of the annual rate.”

ARTICLE 2: The present Agreement shall take effect from its promulgation date.

Given in the city of Panama, on the twenty-fourth (24th) day of the month of January of 2005.

THE PRESIDENT

Félix B. Maduro

THE SECRETARY

Jorge W. Altamirano-Duque M.