

*Republic of Panama*  
*Superintendency of Banks*

**AGREEMENT No. 004-2006**  
**(of August 17, 2006)**

Which modifies Articles 4, 12, 15, 16, 17 and 22 of Agreement 1-2006  
of January 25, 2006 on Asset Liquidation"

**THE BOARD OF DIRECTORS**  
using its legal authority, and

**WHEREAS:**

Pursuant to Numeral 2 of Article 5 of Decree Law No. 9 of February 26, 1998, the Superintendency of Banks is responsible for strengthening and fostering auspicious conditions conducive to the development of Panama as an International Financial Center;

Pursuant to Numeral 7 of Article 16 of Decree Law No. 9 of February 26, 1998, the Board of Directors must set, in the administrative realm, the interpretation and scope of the legal or regulatory provisions in banking matters;

Article 129 of Decree Law No. 9 of February 26, 1998 stipulates that liquidators will procure the disposal and achievement of all goods, rights and other assets of the Bank under the most advantageous conditions possible;

Numeral 1 of the mentioned Article 129 stipulates that, pertaining to real property or chattels whose value is less than twenty-thousand Balboas (B/.20,000.00), the liquidator may sell them for an amount that cannot be less than that obtained by an appraisal practiced by up to two (2) qualified independent experts;

Numeral 2 of article 129 stipulates that, pertaining to real property or chattels whose value exceeds twenty-thousand Balboas (B/.20,000.00), the liquidator may sell them through a private auction, following the proceedings for foreclosures and judicial sales set forth in the Judicial Code in Articles 1708 (1732), insofar as applicable;

Through Agreement No. 1-2006 of January 25, 2006 Numerals 1 and 2 of Article 129 of Decree Law No. 9 of 1998 were developed;

In work sessions of this Board of Directors with the Bank Superintendent, the need and convenience is evident of modifying Articles 15, 16 and 17 of Agreement No. 1-2006 of January 25, 2006.

**AGREES:**

**ARTICLE 1:** Article 4 of Agreement No. 1-2006 of January 25, 2006 will read:

**“ARTICLE 4: SUMMONS TO THE SALE OF THE GOODS.** Once the corresponding appraisal is done, the liquidator will summon to the public sale of the goods, by publishing an announcement for three (3) consecutive days in a newspaper of national coverage. Furthermore, the liquidator must: a) send a copy of the announcement to the Panama Banking Association (PBA), National Private Enterprise Council (CONEP), Chamber of Commerce, Industries and Agriculture of Panama, Panamanian Construction Chamber (CAPAC), Panamanian Association of Corporate Executives (APEDE), Real Estate Brokers Association (ACOBIR), Stock Exchange Brokers Association, Panama Stock Exchanges, and to any other guild or association he deems pertinent; and b) disclosing at his discretion this announcement through other media, including electronic media.

The announcement must contain, at least, the following:

1. The list and description of the goods with the greatest clarity and precision possible, as well as the place where they can be inspected and the fact that they will be sold in the place and conditions they are in.
2. The base price of the sale, which cannot be less than the quick sale value established in the appraisal, pursuant to what Numeral 1 of Article 129 of Decree Law No. 9 of 1998 stipulates.
3. The location, boundaries and other circumstances and data of the Public Registry if dealing with real estate.
4. Special requirements for participating, if there are any.
5. That open public tenders will be accepted from the time the first announcement is published.
6. The place, the date and time until when open tenders will be received, and that the bidders can improve their tenders until that time.
7. That the good being sold will be awarded to the best bid received at that date and time.
8. Content of the bid (pursuant to Article 6).
9. Payment modality (pursuant to Article 9).
10. The names and phone numbers of the officers that can absolve consultations and visits from the interested parties.
11. The condition that the liquidator reserves the right to reject any tender that does not adjust to the requirements or whose amount is less than the base price.

**PARAGRAPH 1:** the date until which tenders will be received cannot be before eight (8) calendar days from the date of publishing of the last announcement if dealing with chattels, or before fifteen (15) calendar days if dealing with real estate.

**PARAGRAPH 2:** The public announcement will also be set at the door of the liquidating Bank, as well as in public sites of the place where the goods are located.

**PARAGRAPH 3:** It is understood that, if for any reason, the date until which tenders will be received is not a working day, the day and hour will be moved to the next working day, without the need for a new announcement, in the same given conditions."

**ARTICLE 2:** Article 12 of Agreement 1-2006 of January 25, 2006 will read:

**“ARTICLE 12: SUMMONS TO THE SALE OF THE GOODS.** Once the corresponding appraisal(s) is/are done, the liquidator will summon to the private auction of the goods being sold, by publishing an announcement for three (3) consecutive days in a newspaper of national coverage. Furthermore, the liquidator must: a) send a copy of the announcement to the Panama Banking Association (PBA), National Private Enterprise Council (CONEP), Chamber of Commerce, Industries and Agriculture of Panama, Panamanian Construction Chamber (CAPAC), Panamanian Association of Corporate Executives (APEDE), Real Estate Brokers Association (ACOBIR), Stock Exchange Brokers Association, Panama Stock Exchanges, and to any other guild or association he deems pertinent; and b) disclosing at his discretion this announcement through other media, including electronic media.

The announcement must contain, at least, the following:

1. The list and description of the goods with the greatest clarity and precision possible, as well as the place where they are located and can be inspected, and the fact that they will be sold in the place and conditions they are in.
2. The base price of the sale.
3. The admissible bid, including the cases of a second and third summons.
4. The date and time until when tenders will be accepted.
5. The date, time and place of the auction.

6. The location, boundaries and other circumstances and data of the Public Registry, if dealing with real estate.
7. Special requirements for participating, if there are any.
8. Content of the bid (Article 14).
9. Payment modality (Article 18).
10. The names and phone numbers of the officers that can absolve consultations and visits from the interested parties.
11. The condition that the liquidator reserves the right to reject any tender that does not adjust to the requirements or whose amount is less than the base price of the sale.

**PARAGRAPH 1:** Private auctions will be held on working days and hours, as the Judicial Code stipulates. The date when the auction is held cannot be before eight (8) working days from the date of publishing of the last announcement if dealing with chattels, or before fifteen (15) calendar days if dealing with real estate.

**PARAGRAPH 2:** The public announcement will also be set at the door of the liquidating Bank and/or at the door of the site where the private auction should take place, as well as in public sites of the place where the goods are located.

**PARAGRAPH 3:** It is understood that, if for any reason, the private auction cannot take place on the day set for that purpose, it will be performed on the next working day, without the need for a new announcement, in the same given conditions."

**ARTICLE 3:** Article 15 of Agreement No. 1-2006 of January 25, 2006 will read:

**ARTICLE 15: REALIZATION OF THE PRIVATE AUCTION.** The private auction will be performed on the day and time announced in the announcement published pursuant to article 12 of this Agreement, and will be presided by the liquidator, or by whomever the latter designates, who will proceed to close the bidding stage. The sale's base price will be the quick sale value established in the appraisal, and any bid that covers at least two thirds (2/3) of the sale's base price will be admitted. At the time set forth in the announcement, the liquidator will open the period of raising the bids; thus, the bidders can improve their proposals.

This auction will be in the presence of an Authorized Public Notary, who will bear witness of the actions, and the ancillary staff the liquidator designates.

The liquidator will reject the bids with respect to each good being sold when the same are for an amount that does not cover the amount set by the liquidator as the admissible bid in the announcement or when they do not comply with the documentation requirements established in article 14 of this Agreement.

Once the formalities stipulated in this Agreement are observed, the liquidator will provisionally award the goods to the bidders that have placed the best bid. The Authorized Public Notary will prepare the minutes of the act, which will portray the date of the private auction, the good offered in sale, the name of the participating bidders, the name of the winning bidder and the amount for which each good was sold. The minutes must be signed by the persons awarded the goods, the liquidator and the Authorized Public Notary. This document will constitute evidence of the provisional adjudication in favor of the persons awarded the goods."

**ARTICLE 4:** Article 16 of Agreement No. 1-2006 of January 25, 2006 will read:

**ARTICLE 16: SECOND SUMMONS.** If the person that made the bid for two thirds (2/3) of the sale's base price does not show up at the first summons, a new date will be set, by a public announcement pursuant to what Article 12 of this Agreement stipulates, wherein any bid that covers at least half (1/2) of the sale's

base price will be admitted. The sale's base price will be the quick sale value established in the appraisal.

The liquidator will reject the bids with respect to each good being sold when the same are for an amount that does not cover the amount set by the liquidator as the admissible bid in the announcement or when they do not comply with the documentation requirements established in article 14 of this Agreement.

**PARAGRAPH:** If nobody shows up to make a bid that covers at least half (1/2) of the sale's base price during the following fifteen (15) calendar days, the liquidator is authorized to procure the direct sale of the good or goods, at a price not less than one fourth (1/4) of the sale's base price. The sale's base price will be the quick sale value established in the appraisal."

**ARTICLE 5:** Article 17 of Agreement No. 1-2006 of January 25, 2006 will read:

**“ARTICLE 17: THIRD SUMMONS.** If the good was not sold by the procedure set in the preceding article, a new date will be set, by a public announcement pursuant to what Article 12 of this Agreement stipulates, wherein bids will be accepted for any amount.

The liquidator will reject the bids with respect to each good being sold when they do not comply with the documentation requirements established in Article 14 of this Agreement.

**PARAGRAPH:** Previously securing a Notary Certification, which states that no admissible tender has been offered pursuant to Articles 15, 16 and 17 of this Agreement, the liquidator can dispose of the good by a direct sale to anyone who makes a tender.”

**ARTICLE 6:** Article 22 of Agreement No. 1-2006 of January 25, 2006 will read:

**“ARTICLE 22: STOCK EXCHANGE SECURITIES.** Those securities or instruments traded in stock exchanges or other organized markets will be sold through said media at market value. If the good is not sold in a term of thirty (30) days it will be tendered again for successive periods of fifteen (15) days each time, decreasing the previous price up to ten percent (10%), until attaining its sale. If once the price reduction processes are exhausted said instruments or securities are still not sold, the latter will be donated through a raffle to a charity entity legally recognized and operating in the Republic of Panama.

For those securities or instruments traded in stock exchanges or other organized markets, their market value will be certified by an authorized security broker or agent, who will thus play the role of the expert to which the Law refers.

The rest of the securities or instruments must be sold following the procedures stipulated in this Agreement. In these cases, the appraisal will be practiced by an authorized security broker or agent.

When dealing with securities or instruments issued by persons who are in payment discontinuance, insolvency or other similar circumstances, duly documented, the liquidator can sell them by a direct sale to anyone who makes a tender.

**ARTICLE 7: EFFECT.** This Agreement will be in force from the time it is proclaimed.

Given in the City of Panama, on the seventeenth (17th) day of the month of August of two thousand six (2006).

**THE PRESIDENT,**

Antonio Dudley Amstrong

**THE SECRETARY,**

Arturo Gerbaud De La Guardia