

Republic of Panama
Superintendency of Banks

AGREEMENT No. 004-2009
(of June 9, 2009)

“By means of which Article 4 of the Agreement 5-2008 of October 1st, 2008 is modified”

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

WHEREAS

That Decree Law 9 of February 28, 1998 was modified by Decree Law 2 of February 22 of 2008, and was ordered by means of a Sole Text, hereinafter the Banking Law;

That in accordance with article 67 of the Banking Law corresponds to this Superintendency to define and establish the main elements of the capital and deductions applicable;

That is function of this Board of Directors to affix, in the administrative sphere, the interpretation and scope of the legal dispositions in banking matter for the purposes above mentioned;

That in working sessions of this Board of Directors has been submitted to its attention the need and convenience of modifying the Agreement No. 5-2008 of October 1st of 2008, by means of which are established rules of Capital for Credit Risk.

AGREES:

ARTICLE 1: Article 4 of Agreement 5-2008 of October 1st, 2008 shall remain as follows:

“**ARTICLE 4: CAPITAL DEDUCTIONS.** In the calculation of the amount of the Capital Funds shall be taken into account the deductions mentioned as follows:

1. Of the primary Capital:

1.1. Any and all increased value of commerce fund shall be deducted directly from the primary capital. The decreases are a passive and shall not affect the structure of the capital funds. It is prohibited the compensation of the accounts of increases and decreases.

2. Of the total Capital:

2.1. The investment in instruments of capital, or hybrid instruments of capital and debt, issued by banking Enterprises or financial subsidiaries of the banking group, but not the bank.

2.2. The investment in instruments of capital, or hybrid instruments of capital and debt, issued by non banking Enterprises or non financial subsidiaries of the banking group, but not the bank.

2.3. The investment in instruments of capital or debt in other banks or their subsidiaries, under reciprocity conditions.

These deductions will be effected quarterly. These actives shall be classified as actives in Category No. 1 (0%).

TRANSITORY PARAGRAPH: The banks that at time the present agreement enters into effect maintain investments of those mentioned in this article shall have a term of two years to adequate to what is provided in the same.

ARTICLE 2: EFFECT The present Agreement shall enter into effect from the first of July of 2009.

Given in the city of Panama, on the ninth (9th) day of July 2009.

TO BE PUBLISHED AND FULFILLED.

THE PRESIDENT

THE SECRETARY

Félix B. Maduro

Jorge W. Altamirano-Duque M.