

TRANSLATION

Republic of Panama *Superintendency of Banks*

RULE No. 009-2010
(of 14 December 2010)

“Whereby article 8 of Rule No. 4-2010 is amended”

THE BOARD OF DIRECTORS

In use of its legal powers, and

WHEREAS:

Due to the issuance of Law 2 of 22 February 2008, the Executive Branch systematically ordered in the form of a Sole Text the Decree Law 9 of 1998 and all its amendments, which was approved by means of Executive Decree 52 of 30 April 2008, hereinafter referred to as the Banking Law;

According to number 3 of article 5 of the Banking Law, it is the duty of the Superintendency of Banks to promote public trust in the Banking System;

In accordance with number 7 of article 11 of the Banking Law, it is the duty of the Board of Directors of the Superintendency of Banks to establish the accounting requirements related to the financial information that banks must provide;

According to number 8 of article 11 of the Banking Law, it is the duty of the Board of Directors of the Superintendency of Banks to establish the general standards that banks must follow in their accounting processes;

According to article 81 of the Banking Law, each bank must, annually within the first three months of its fiscal year, designate at its expense external auditors who must be certified public accountants, specialized, and with sufficient experience, in the Superintendency’s judgment, and professionally capable, whose duties will be to remit reports to the shareholders or partners of each Panamanian bank or to the Head Office of a foreign bank, or State-owned banks. To these effects, the banks will inform the Superintendency, within the time allowed by the latter, the names of the external auditors contracted by the bank;

Rule No. 4-2010 of 10 August 2010 updated the provisions on External Audits to Banks;

In the working sessions of this Board of Directors was mentioned the need and convenience of amending article 8 of Rule No. 4-2010 of 10 August 2010.

RULES:

ARTICLE 1: Article 8 of Rule No. 4-2010 of 10 August 2010 is as follows:

“ARTICLE 8. EXTERNAL AUDITORS CONTRACTING NOTICE. The board of directors of the regulated party or the general manager shall appoint, within the first three months of its fiscal year, the external auditors firm that will be used during the new fiscal period. The regulated party shall inform to the Superintendency the name of the appointed external auditors firm, which shall be made within seven (7) calendar days after those were appointed.

T R A N S L A T I O N

Rule No. 009-2010
Page 2 of 2

Also, the regulated party shall send to the Superintendency of Banks, within sixty (60) days prior the commencement of the annual audit a written document with the detailed information of the members of the audit team, as well as any modification to the team, for the purposes set out in this article.

To ensure the competence of the audit firms and the quality of their work, the regulated parties shall request them a proof of quality control as well as their independence policies. These evidences shall be submitted to the Superintendency at the contracting notice.

The information referred to above may also be submitted to the Superintendency by the external auditors firm prior agreement with the audited regulated party. The external auditors firm may submit the above requested information related to a regulated party or, in the same letter, related to several regulated parties to which the audit service is provided”.

ARTICLE 2. This Rule shall take effect since its promulgation.

Given in the city of Panama, on fourteenth (14th) December, two thousand ten (2010).

LET IT BE KNOWN, PUBLISHED AND ENFORCED.

THE CHAIRMAN,

THE SECRETARY,

Antonio Dudley A.

Arturo Gerbaud De La Guardia