

TRANSLATION

Republic of Panama *Superintendency of Banks*

RULE No. 004-2012
(dated 19 June 2012)

“Whereby Article 11 of Rule 5-2011 is amended”

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

CONSIDERING:

That due to the issuance of Decree Law 2 dated 22 February 2008, the Executive Branch reedited Decree Law 9 of 1998 and all of its amendments as a sole text, and that this text was approved by means of Executive Decree 52 dated 30 April 2008, hereinafter referred to as the Banking Law;

That pursuant to paragraphs 1 and 2 of article 5 of the Banking Law, the objectives of the Superintendency of Banks are to safeguard the soundness and efficiency of the banking system and to strengthen and foster favorable conditions for the development of the Republic of Panama as an international financial center;

That pursuant to article 11, paragraph 5 of the Banking Law, it is the duty of the Board of Directors to establish the administrative interpretation and scope of the legal provisions and regulations on banking matters;

That by Rule 5-2011 the Superintendency provided a new Rule updating the provisions on Corporate Governance;

That during the Board of Directors' working sessions it became obvious that it was necessary and advisable to extend the deadline provided to banks for the appointment of the first independent director as set forth by Article 11 of Rule 5-2011.

RESOLVES:

ARTICLE 1. Article 11 of Rule 005-2011 will be as follows:

“ARTICLE 11. THE BOARD OF DIRECTORS. The board of directors of the bank shall be integrated by at least seven (7) persons, who shall possess the knowledge or experience relevant to the operations and/or the risks inherent to banking activities. Most of the directors shall be individuals: (a) that do not participate in the daily administrative management of the bank and (b) whose condition as a director would not present any material, business or ethical conflicts or conflicts of interest. The minority members of the board of directors may include the general manager, chief operating officer, chief financial officer or their equivalent, none of whom shall chair the Board. At least two members of the board of directors must be independent directors.

Directors participating on a specific committee of the board of directors shall possess specialized knowledge or experience in the relevant area.

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The board of directors shall meet at least once (1) every three months and the subject matters discussed during these meetings must be fully detailed in the Minutes of the organization.

In those board of directors meetings in which participating bank officers participate as members of the Board, in addition to the required quorum, the bank officers shall not constitute a majority of the members of the Board present.

TRANSITORY PROVISIO. Banks will have until October 1st, 2012 to incorporate the first independent director to their board of directors and until July 1st, 2013 to incorporate the second independent director.”

ARTICLE 2. ENACTMENT. This Rule shall become effective as of its promulgation.

Given in the city of Panama on the nineteenth (19th) day of June, two thousand twelve (2012).

LET IT BE KNOWN, PUBLISHED AND ENFORCED.

THE CHAIRMAN,

THE SECRETARY,

Félix B. Maduro

Nicolás Ardito Barletta