

**REPUBLIC OF PANAMA
SUPERINTENDENCY OF BANKS**

June 1, 2006
Circular No. 037-2006

General Manager
Panama City

Reference: BAN05 Table. Account Plan
Capital Adequacy.

Dear General Manager:

We hereby inform you that after the delivery of information on capital adequacy for the second quarter of the ongoing year, account 811500: *"Profit or Loss in Available-for-Sale Securities"*, will be eliminated from Table BAN05.

The above-mentioned change is because, pursuant to the stipulations of Agreements 5-98 and 6-98 on Capital Adequacy, non-realized profit or loss in available-for-sale investments and profit or loss from cash flow hedging do not form part of the regulatory capital, and should only be considered part of the accounting capital.

We are grateful to the Manager for giving the staff under his charge the corresponding instructions for the observance of this circular.

Attentively,

Delia Cardenas
Superintendent

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