

Republic of Panama
Superintendency of Banks

March 27, 2006

CIRCULAR CFL 3-85 No. 2-2006

General Manager
In Your Office

Ref.: Housing Mortgage Loans
(Law 3/85, 11/90, 5/94, 28/95, 30/99,
50/99 and 65/2003)

Dear Manager:

Regarding what is stipulated in Article 4 of Law No. 3 of May 20, 1985, whose effect was extended and its Article 5 was modified by Law No. 65 of October 29, 2003, "Whereby preferential interest rules are stipulated in certain Mortgage Loans", we advise you that the Local Market Reference Rate for Housing Mortgage Loans for the Second Quarter of the year 2006, is set at **SEVEN PERCENT PER YEAR (7.00%)**.

Without anything else in particular, we remain yours.

Attentively,

Delia Cardenas
Superintendent