



October 26, 2009  
Circular No. 047-2009

General Manager  
Panama City

Reference: Agreement No. 3-2009

General Manager:

As you know, Agreement No. 3-2009, which updates the provisions on alienation of Acquired Real Estate, went into effect on September 20, 2009.

Articles 8 and 9 of the mentioned Agreement stipulate the Subsidiaries' and Affiliates' obligation to establish the equity reserve contemplated in Article 6 of the Agreement. In this context, we advise you that for the accounting handling that the new Agreement provides, the reference date for considering the good acquired by the subsidiary or affiliate will be September 20, 2009, date when the Agreement went into effect.

In light of the foregoing, on September 20, 2010 the subsidiary or affiliate must have the 10% reserve to which the table of Article 6 refers, given that the first year will have elapsed. The foregoing will apply to those acquired goods that as of the date when this Agreement went into effect were in the books of the Subsidiaries or Affiliates.

All goods acquired after this Agreement went into effect must establish the equity reserve on the date when the respective terms expire.

In the case of banks that as of the date this Agreement went into effect maintained non-provisioned acquired goods, they must create the equity reserve pursuant to what is stipulated in Article 6 of the mentioned Agreement. Thus, the banks that have goods that were acquired more than 12 months before must establish the reserve immediately, based on the percentage set by the table of Article 6.

Those goods acquired or awarded by the bank as well as by the subsidiaries, provisioned based on the previous Agreement, will maintain said provision.

Additionally, we hereby remind you of what Article 3 of the aforementioned Agreement stipulates:

*"ARTICLE 3: TERM TO NOTIFY ACQUISITION. All banks must notify the Superintendency, through the Information Transfer System (Atom AT04 and BAN07), of the acquisition of real estate as payment of unpaid credits, under any modality, within thirty (30) days following the date when the definitive acquisition was inscribed in the Public Registry".*

Thus, starting on this date, it will not be necessary for the banks to send notification to this Superintendency in addition to the one that will be sent through the ITBank System, unless it is especially required in a particular case. The documentation that sustains each one of these operations must be kept in the bank and must be available to this Superintendency so as to verify that the corresponding standards are observed.

On the other hand, in observance of Article 6 of Agreement 3-2009, the bank must post the reserve in the equity account with the following code in the bookkeeping account catalog: 344000 in the Single Account Plan - PUC (SB02) and 343000 in the Consolidated Account Plan – PCC (SB35).

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

Attentively,

Olegario Barrelier  
Superintendent

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