



December 22, 2009  
Circular No. 059-2009

General Manager  
Panama City

Reference: Submission of Audited  
Financial Statements.

Dear General Manager:

We hereby reiterate what is stipulated by Article 90 of the Banking Law on the integrity of audited financial statements, which literally reads:

**“ARTICLE 90. INTEGRITY OF THE AUDITED FINANCIAL STATEMENTS.** If the Superintendency determines at any time that the financial statements do not comply with the technical or prudential accounting requirements established for their submission, or they contain false or inaccurate information, it will order the bank, by way of a grounded resolution, to withdraw them from display, to correct them and publish the corrected version or explanatory notes that are needed in the Superintendency’s judgment. The above is regardless of sanctions or other actions that may apply.”

Additionally, we remind you that Agreement No. 4-99 of May 11, 1999 in Article 1 stipulates the obligation, for the Banking Entities, of adopting as technical accounting standards and for accounting entries *“the International Accounting Standards of the International Accounting Standards Committee (currently International Financial Information Standards) or the United States Generally Accepted Accounting Principles (USGAAP).”*

In spite of the above, by way of General Resolution No. 1-2007 of May 17, 2007, this Superintendency reaffirmed to the Banking Entities and to the external auditing firms, the criterion that the standards issued by the Superintendency of Banks have precedence over any other accounting standard of any origin applied to the banking business.

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By virtue thereof, we expect the strict observance of the aforementioned legal provisions, and we ask the Manager to give the staff under his charge the corresponding instructions for the enforcement of this circular.

Attentively,

Alberto Diamond  
Superintendent

This document is a translation of the original Spanish document.

Iris Stella Saied Torrijos  
Authorized Public Translator  
English – Spanish – English  
Resolution TP-125 of September 20, 1999  
Ministry of Education