

### **Annex 12.9.3: Additional Information Regarding Financial Services Measures**

Each Party indicated has provided the following descriptive and explanatory information regarding certain aspects of its financial services measures solely for purposes of transparency.

<b>Banking Services and other financial services (excluding insurance)</b>
The Monetary Board (M.B.) may authorize the establishment of subsidiaries as well as branch offices, provided there is adequate coordination and exchange of information with the supervising authorities of the country of origin.
Exchange Agents must have the prior authorization of the Monetary Board to act as such. (The operation of Exchange Agents is pending the issuance of regulations.) (Art. 30, Law 183-02)
Authorization for the operation of multipurpose banks (commercial banks) and credit entities requires the presentation before the Monetary Board of the Bank Superintendence's opinion based on documents presented by the applicant entity. (Art. 37, Law 183-02).
The exclusive social purpose of multipurpose banks (commercial banks) and credit entities shall be the realization of financial intermediation activities, according to the requirements of this law, and their business name shall include the words "Multipurpose Bank" or names corresponding to the credit entities, that is, "Savings and Credit Bank" and "Credit Corporation", as the case may be. (Art.38, literal b, Law 183-02)
Under no circumstances shall preferential shares grant their holder a greater voting right than the common shares, nor the right to collect payment of dividends in advance or independently from the results of the business year. (Art. 38, literal c, Law 183-02)
The opening of a new entity requires the presentation of documentation before the Bank Superintendence [establishing the existence] [delete: crediting the reality] and origin of the amount put up, which shall be temporarily deposited in the Central Bank for the purpose of the initial investments. These resources may be used to pay for the acquisition of fixed assets and the expenses for equipment and facilities necessary to initiate operations. (Art. 38, literal c, Law 183-02)
Multipurpose banks (commercial banks) and credit entities are not allowed to decrease their paid-up capital without previous authorization of the Bank Superintendence. (Art. 38, literal c, Law 183-02)
The payment of dividends is subject to compliance with the requirements established by

the Monetary Board. (Art. 38, literal c, Law 183-02). (Regulation pending).
Under no circumstances shall representative offices perform financial intermediation activities. (Literal b, Art. 39 Law 183-02)
Savings and credit banks may only contract obligations abroad and grant loans in foreign currency following authorization of the Monetary Board. Art. 42, literal r, Law 183-02)
All securities exchanges must have prior approval of the Securities Superintendence, according to the norms established in the Securities law No. 19-00, and its regulations. (Art. 43 )
All commodities exchanges must have prior approval of the Consejo Nacional de Valores. (Art. 56 of the Law)
For purposes of law 19-00, a securities broker shall mean the natural or corporate person, national or non-national, that habitually performs securities brokerage activities, whether in the securities market or outside the securities market. In order to operate, said intermediaries must have an authorization from the Securities Superintendence, according to the requirements established in the regulations of Securities law. (Art. 60)
When trading securities, exchanges shall be represented by natural persons known as securities brokers, who are in possession of a credential granted by the corresponding exchange, and have registered in the securities market. (PARAGRAPH II)
Securities intermediaries existing before this law is in effect, who perform solely in the trading of goods, securities representative of goods, members of a sole goods exchange, must comply with the provisions of the present law within five (5) years from the time it goes into effect. (PARAGRAPH III)
Exchanges shall be allowed to sell or rent their right to operate in an exchange, with the previous approval of the corresponding exchange and that of the Securities Superintendence. (Art. 68, Securities law No. 19-00)