

ANNEXES

Salón de Honor Doctor Manuel Noriega Morales, Banco de Guatemala.

Annex 1

FUND FOR SAVINGS PROTECTION ASSETS, LIABILITIES AND CONDENSED WEALTH STATUS TO DECEMBER 31st, 2005 -AMOUNT IN QUETZALES-

ASSET		LIABILITY AND WEALTH	
AVAILABLE IN DEPOSITS BANK OF GUATEMALA		FUND'S WEALTH	1,520,057,294.12
In national currency	80.71	Funds generated Decrees 315 and 04-2002	31,402,814.45
INVERSIONES A CORTO PLAZO	984,360,106.38	Formation quotas	173,174,281.86
In national currency	846,739,800.00	State's contribution in cash	588,192,885.00
In foreign currency	137,620,206.38	State's contribution in Peace Bonds	540,235,512.00
LONG-TERM INVESTMENTS	518,987,216.00	Account of exchange differentials	(25,531,764.97)
In foreign currency	518,987,216.00	RESULTS TO BE APPLIED	232,563,605.78
ACCOUNTS TO BE COLLECTED	16,729,891.03	Previous years	137,020,231.87
Interests to be collected in national currency	778,176.14	Current year	5,563,374.11
Interests to be collected in foreign currency	951,714.89		
TOTAL OF ASSET	1,520,057,294.12	TOTAL OF LIABILITY AND WEALTH	1,520,057,294.12

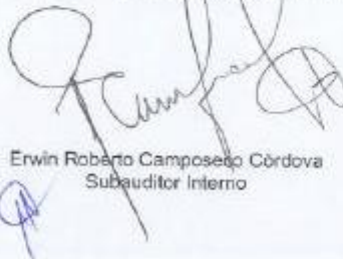
Purchase interest rate, of December 31st, 2005

(Q7.58724= US\$1.00) Guatemala, January 5th, 2006

Cuentas de orden 201,958,391.95 (ANEXO)



German Federico López Pereira
Contador



Erwin Roberto Camposano Córdova
Subauditor Interno



Edwin Haroldo Matul Ruano
Gerente General

Anexo 2

ESTADOS FINANCIEROS DEL BANCO DE GUATEMALA

A. GENERAL BALANCE

BANCO DE GUATEMALA
GENERAL BALANCE
To December 31st, 2005
(Amount in *Quetzales*)

ASSET

WITH NON-RESIDENTS

Monetary Gold	858,684,216.89
Holdings of International Account Units	49,627,941.02
Foreign Money	7,249,227.93
Deposits abroad	570,802,003.65
Investment in foreign securities	27,169,185,052.35
Payment agreements and settlement and reciprocal credit agreements	12,097,825.96
Other assets	179,639,653.94
Contributions to international financial organizations	3,259,288,028.29

WITH RESIDENTS

Investments in national currency	5,225,000.00
Domestic credit	291,276,257.92
Treasury bonds received to cover net deficiencies	963,718,177.00
Restoration of wealth to be collected from the State	18,899,043,945.61
Other Assets	1,669,814,589.81

LIABILITY

WITH NON-RESIDENTS

Short-term obligations	10,209.77
Middle and Long-term obligations	2,371,292.55
Obligations with international financial organizations	2,644,829,515.13

WITH RESIDENTS

National money	48,684,299,392.11
Monetary deposits	14,261,865,761.70
Near money liabilities	6,413,971,445.18
Titles of the Central Bank	1,124,746,368.25
Deposits of the General Government	17,993,849,764.31
Other Liabilities	7,876,225,462.81
	1,013,640,589.86

WEALTH

2,604,141,510.81

Total of Asset

53,935,651,920.37

Total of Liability and Wealth

53,935,651,920.37


EXCHANGE RATE TO DECEMBER 31st, 2005 US\$ 1 = Q 7.58724


CUENTAS DE ORDEN POR CONTRA : 458,609,154,113.47


GUATEMALA, 3 DE ENERO DE 2006

NOTES:

1) This General Balance of the *Banco de Guatemala* to December 31st, 2005, was prepared according to the decisions contained in the Organic Law of the *Banco de Guatemala*; 2) The balance of the accounts express in foreign currency, are valued according to the purchase exchange rate of December 31st, 2005 of Q7.58724 per US\$1.00; 3) The administrative fees of the period from January 1st to December 31st, 2005 are of Q303.0 million, integrated in the following way: Personal Services Q167.2 million, non-personal services Q49.8 million, Materials and Supplies Q7.4 million, Current Transfers Q36.5 million and Depreciations and Amortizations of Q42.1 million.


Héctor A. Del Cid S.
Director Departamento de Contabilidad


Edwin H. Matul R.
Gerente General


Bernardino Cenzales Leiva
Auditor Interno

B. RESULTS STATUS



BANCO DE GUATEMALA
Results Status
From January 1st to December 31st, 2005
(Amount in Quetzales)

	DESCRIPCION	PARCIAL	TOTAL
	FINANCIAL PRODUCTS		883,496,807.33
I.	FINANCIAL PRODUCTS ON FOREIGN ASSETS	822,003,273.46	
1.	EXCHANGE PRODUCTS	4,376.42	
2.	INTERESTS PRODUCTS	642,006,204.67	
3.	OTHER PRODUCTS	179,992,692.37	
II.	FINANCIAL PRODUCTS ON DOMESTIC ASSETS	49,475,215.92	
1.	COMMISSIONS PRODUCTS	45,178,364.53	
2.	INTEREST PRODUCTS	1,014,122.42	
3.	OTHER PRODUCTS	3,282,728.97	
III.	FINANCIAL PRODUCTS ON DOMESTIC LIABILITIES	12,018,317.95	
1.	OTHER PRODUCTS	12,018,317.95	
IV.	FINANCIAL PRODUCTS ON FOREIGN ASSETS		200,950,340.90
1.	EXCHANGE EXPENSES	185,114,865.10	
2.	OTHER EXPENSES	2,799.85	
V.	FINANCIAL EXPENSES ON FOREIGN LIABILITIES	185,112,065.25	
1.	INTERESTS EXPENSES	11,931,013.03	
2.	OTHER EXPENSES	7,686,483.60	
VI.	FINANCIAL EXPENSES ON FOREIGN LIABILITIES	4,244,529.43	
1.	INTEREST EXPENSES	3,904,462.77	
2.	OTHER EXPENSES	3,904,462.77	
VII.	FINANCIAL EXPENSES ON DOMESTIC ASSETS		682,546,466.43
1.	OTHER EXPENSES		303,043,770.26
VIII.	ADMINISTRATIVE EXPENSES		
1.	OPERATING EXPENSES	224,456,874.79	
2.	CURRENT TRANSFERS	36,465,490.91	
3.	DEPRECIATIONS AND AMORTIZATIONS	42,121,404.56	
	SUB-TOTAL		379,502,696.17
IX.	(+) VERIFICATION OF RESULTS OF PREVIOUS YEARS		69,789,377.70
	OPERATING RESULT OF THE BANCO DE GUATEMALA		449,292,073.87
X.	INSPECTION EXPENSES	83,870,569.19	
	INSPECTION QUOTA SUPERINTENDENCIA DE BANCOS	83,870,569.19	
XI.	COST OF MONETARY, EXCHANGE AND CREDIT POLICY	969,210,914.36	1,043,081,483.55
	NET DEFICIENCY		(593,789,409.68)

Héctor A. Del Cid S.
Director
Departamento de Contabilidad

Guatemala, 03 de enero de 2006

Edwin H. Matul R.
Gerente General

Bernardino González Leiva
Auditor Interno

C. Explanatory notes of the balance sheets

1. Accounting policies.

- a) The *Banco de Guatemala* prepares its balance sheets observing the specific accounting norms contained in the Manual of Accounting Instructions of the Accounting and Financial Information System, approved by the General Director's office;
- b) The *Banco de Guatemala* has to register the products and expenses through the Method of the Collected as a monetary policy; procedure established in article 7 of its organic law;
- c) The asset and liability accounts in foreign currency are valued daily, according to the reference purchase exchange rate of the *Banco de Guatemala*. At the closing of the fiscal year to December 31st, 2005, the reference purchase exchange rate was of Q7.58724 per US\$1.00;
- d) The monetary gold is valued weekly and monthly, according to the price of the troy ounce defined in the international market, taking the price set in the London market as a reference;
- e) The result of the valuation of assets and liabilities in foreign currency, as well as the valuation of monetary gold, is not part of the institutions' expenses or operational products. In that sense, at the closing of the fiscal year this result is registered in the Reserves per Valuation account, which belongs to the wealth of the *Banco de Guatemala*;
- f) The Property, Plant and Equipment, as well as the Intangible Assets are registered at the historical acquisition cost in the Other Assets with Residents account and are depreciated according to the lineal method; and,
- g) The expenses that the *Banco de Guatemala* makes in its quality as issuer of paper money and coins for the purchase of monetary species, are transitorily registered, at its historical acquisition cost, in the Other Assets with Residents account –Other Inventories- and are switched to financial expenses once said monetary species are issued.

Assets with non-residents

2. Monetary Gold. It registers the monetary gold that is in the reserves vault of the *Banco de Guatemala* and gold bullions invested in financial institutions abroad, valued according to the market's price of December 31st, 2005, which was of US\$513.00 per troy ounce.

3. Holding of international account units. It represents the holdings in Special Drawing Rights -SDRs-, that the *Banco de Guatemala* has in the International Monetary Fund, the existence of which are valued according to the exchange rate of December 31st, 2005 of US\$1.00 per DEG0.69966.

4. Foreign money. It registers the value of the holdings of foreign monetary species found in the vaults of the *Banco de Guatemala*.

5. Deposits abroad. Represent the value of term, sight and overnight deposits that the *Banco de Guatemala* has abroad, with foreign monetary authorities, non-resident commercial banks, international financial organizations and other institutions.

6. Foreign Security Investments. Register the value of the investments that the *Banco de Guatemala* makes in foreign securities issued by institutions that do not reside in the country. These investments are mainly constituted by the portfolio tranche of the International Monetary Reserves, which is administered by the *Banco de Guatemala* and by institutions specialized in that procedure.

7. Payment agreements and clearing and reciprocal clearing agreements. Register the credit granted by the *Banco de Guatemala* to the *Banco Nacional de Panamá* for the amount of the documents issued by Panama's banking institutions in favor of Guatemalan exporters, paid by the country's banking system, settled in the *Banco de Guatemala* and supported by the Clearing and Reciprocal Credit Agreement subscribed with said bank.

8. Other assets. Register the value of documents (drafts, traveler's checks, etc.) expressed in foreign currency, which were sent for payment to the corresponding banks abroad, as well as the debit under the responsibility of the Central Bank of Honduras and reimbursements that are pending to be received on account of tax retentions carried out by the JP Morgan Assets Management administrator, due to the interest payment on the investments carried out.

9. Contributions to international financial organizations. Register the contributions made to international financial organizations, in which Guatemala participates, being the following: International Monetary Fund, Inter-American Development Bank, *Banco Centroamericano de Integración Económica*, International Development Association, International Bank for Reconstruction and Development, Central American Fund of Monetary Stabilization, International Financial Corporation and Inter-American Investment Corporation.

Assets with residents

10. Investments in national currency. Register the value of the investments that the *Banco de Guatemala* makes in titles issued by the banking system.

11. Domestic credit. It registers the value of the restructuring credits and due contingent credit lines granted by the *Banco de Guatemala* with domestic funds to the country's financial institutions.

12. Treasury bonds received to cover net deficiencies. Register the value in *quetzales* of the Treasury Bonds of the Republic of Guatemala that the *Ministerio de Finanzas Públicas*

delivered to the *Banco de Guatemala*, to cover the net deficiencies derived from operations of the *Banco de Guatemala* during the 2003 fiscal year. It includes the cost of the monetary, foreign exchange rate and credit policy.

13. Restitutions of wealth to be collected from the State. Register, on one hand, the expenses made by the *Banco de Guatemala* on account of the cost of the monetary, foreign exchange rate and credit policy during the 1989 to 2001 period, and according to the Organic Law of the *Banco de Guatemala*, the State, through the *Ministerio de Finanzas Públicas*, will restore the *Banco de Guatemala* with long-term public debt titles, with zero interest rate; and, on the other hand, the net deficiencies of the *Banco de Guatemala* during the 2002 and 2004 fiscal years, which, according to clause b) of article 9 of the referred organic law, will be absorbed by the State.

14. Other assets. It is mainly integrated by the following sectors:

- a) Diverse domestic debtors in National Currency: register the debit operations effectively paid by the *Banco de Guatemala*, which have not been settled to December 31st, 2005; advanced payments of the expense budget of the *Banco de Guatemala*; working obligations and housing credits granted to the personnel of the *Banco de Guatemala*; checks to be cleared; and, interest to be collected due to credit portfolios granted to *Banco Promotor, S. A.*, *Banco Metropolitano, S. A.*, and *Banco Empresarial, S. A.*;
- b) Deferred charges: register the interests to be paid, generated by the fund-raising of term deposits currently in force;
- c) Other investments: register the value of the stock of paper money and coins to be issued;
- d) Extraordinary assets: register the value of the real estate received as a partial payment of the advances granted to the *Banco Empresarial, S. A.*, and *Banco Metropolitano, S. A.*, as well as the documented sale under the responsibility of the Central Bank of Nicaragua made to *Corporación Financiera Nacional -CORFINA-*; and,

- e) Real estate, equipment and vehicles: register the value of the acquired real estate, plant and equipment, deducting the accumulated value of the corresponding depreciations and amortizations (of the intangible assets –software licenses -).

Liabilities with non-residents

15. Short, middle and long-term obligations in foreign currency. Register the value of the deposits received by the Central Bank.

16. Obligations with international financial organizations. Register the obligations in national and foreign currency derived from deposits in current and transferable accounts, constituted in the *Banco de Guatemala* by the International Financial Organizations, also includes the Assignment of Special Drawing Rights, with the International Monetary Fund.

Liabilities with residents

17. National money. It registers the value of paper money and coins in circulation issued by the *Banco de Guatemala* and that represent the monetary issue.

18. Monetary deposits, near money liabilities and deposits of the general government. Register the balances in national and foreign currency of the monetary deposits accounts that the Governmental institutions, autonomous and decentralized entities and financial institutions constituted in the *Banco de Guatemala*.

19. Titles of the Central Bank. Register the capital and interests to be paid on the term deposits -TDs-, instrument used by the *Banco de Guatemala* to execute the monetary policy, constituted in the institution by individual or legal persons.

20. Other liabilities. It is mainly integrated by the following sectors:

- a) Diverse domestic credits in national currency: register the working obligations, bonds and due coupons pending payment, and interests on treasury bonds to be paid;

- b) Diverse domestic creditors in foreign currency: register the obligations pending of payment abroad, fund for the settlement of letters of credit; and,
- c) Deferred products: register the interest to be collected because of the due debt renegotiated with the Central Bank of Honduras and to the restructuring credits and contingent credit lines granted to financial institutions of the country.

21. Wealth. Is integrated by the balances of the following sectors:

- a) Guarantee Fund: registers the initial contribution that the State made to create the *Banco de Guatemala*, the capitalization made with the results obtained by the institution and capital received from the Securities Regulation Fund, according to article 5 of the Organic Law of the *Banco de Guatemala*;
- b) Reserves due to valuation: integrated by the Exchange Differentials account that contains the net result obtained in favor of the *Banco de Guatemala* due to the assets and liabilities valuation expressed in foreign currency, derived from the variations of the exchange rate of the *quetzal* regarding the United States dollar, and the Assets Re-valuation Account, due to the net result obtained in favor of the *Banco de Guatemala* as a result of the valuation in the Monetary Gold holding, of international market prices, accumulated since June 2000; and,
- c) Results of the fiscal year: register the net difference obtained between the expenses and products of the *Banco de Guatemala*, which include the inspection quota of the *Superintendencia de Bancos* and the expenses caused by the cost of the monetary, foreign exchange rate and credit policy from January 1st to December 31st, 2005.

22. Administrative Expenses. The administrative expenses that correspond to the period from January 1st to December 31st, 2005, are the following:

<i>Name of the sector</i>	<i>Million of quetzales</i>
Personal Services	167.2
Non-Personal Services	49.8
Material and Supplies	7.4
Depreciations and Amortizations	42.1
Current Transfers	<u>36.5</u>
Total Operational Expenses	<u>303.0</u>

Contingences

23. Investment in foreign securities. On October 3rd, 2001, UBS Global Asset Management Limited (UBS), contracted for the administration of part of the Tranche Portfolio of the International Monetary Reserves, purchased on behalf of the Central Bank, according to the investment policy approved by the Monetary Board, the business role with A2/P2 rating from the Enron Corp. for a discount value of US\$14,952.2 thousand, which was repurchased by said company on October 26th of the same year for US\$14,981.3 thousand, after calling for payment, because the foreseen due date for said role was November 15th, 2001.

On December 11th, 2003, a letter from UBS was received informing that clients from said institution and other financial entities and the *Banco de Guatemala* were sued in a bankruptcy process filed by Enron Corp. in the United States Bankruptcy Court, claiming that said prepayment of the business role could be considered as a revocable preferential payment and, therefore, they demand the reimbursement of US\$14,952.2 thousand.

On March 11th, 2004, the *Banco de Guatemala* was officially informed by the First Instance Civil Court of Guatemala of the suit filed in the United States Bankruptcy Court, Southern District of New York, by Enron Corp. against JP Morgan Securities, and other institutions, including the *Banco de Guatemala*. According to the law suit, the payments made between October 26th and November 6th, 2001, constitute a violation of the terms and conditions for the sale of business roles issued by Enron Corp. and that sensibly reduced its

net wealth, which, according to the same, constitute a detriment of the main principle of equitable distribution among the creditors.

It is important to highlight that on June 1st, 2004 the MORRISON & FOERSTER LLP firm, contracted by the *Banco de Guatemala* to represent it in this case, informed said institution that on that date it filed the response in the Bankruptcy Court of the *Banco de Guatemala* to the law suit filed against it.

In that sense, if the United States Bankruptcy Court accepts the arguments filed by Enron Corp., the *Banco de Guatemala* will probably have to reimburse the net wealth of Enron Corp. for an amount of US\$14,952.2 thousand, which correspond to the business role repurchased by Enron Corp. on October 26th, 2001, of US\$14,981.3 thousand.

24. Credit letter. On December 6th, 2002 the *Corte de Constitucionalidad* instructed the *Banco de Guatemala* to return Q54.6 million to the *Superintendencia de Administración Tributaria -SAT-*, deducting the corresponding administrative fees in which the Central Bank incurred. The amount of the reimbursement instructed by the referred Court correspond to the amount disbursed by the SAT to cover credit letter No.17232 offered by the *Banco de Guatemala* on April 17th, 2001, for instructions of said entity, which was confirmed by First Union National Bank ²⁴ for an amount of US\$6.9 million in favor of Intrinsic Values Corporation, due to the purchase of vehicle plates and with expiration on January 15th, 2002. In response to the instructions of the *Corte de Constitucionalidad*, on December 30th, 2002, the Central Bank reimbursed Q53.8 million to the SAT.

At an international rate, the SAT initiated a process in a Court of Miami, United States of America in order to stop the payment of the referred credit letter. The Court of Miami resolved in favor of the SAT, instructing the Wachovia Bank, N.A. and Barclays Bank PLC²⁵ to stop actions regarding credit letter No.17232, which is still in force.

It is important to mention that the credit letters are subjected to the Uniform Customs and Practice for Documentary Credits, Publication No.500 of the International

²⁴ First Union National Bank was fused with Wachovia Bank, NA, since September 1st, 2001 adopting the name of Wachovia Bank, National Association.

Chamber of Commerce. Regarding letter of credit No.17232, which needs to be confirmed, said norm establishes, in clause b) of article 9, that the confirming bank, in addition to the issuer bank, has a strong commitment to pay the letter of credit.

In that context, derived from the reimbursement of Q53.8 million that the *Banco de Guatemala* made to the SAT and due to the fact that said date the lawsuit was still pending in the referred Court of Miami, which, might instruct the payment of the letter of credit in favor of Intrinsic Values Corp., the Central Bank might be forced to pay that amount.

25. Fund transfer of a monetary deposits account. On May 25th, 2004, the *Banco de Guatemala* received from the *Portuaria Quetzal* company, letter number 510-PQ-211-2004 in which instructed the fund transfer of Q15.0 million to the Cash Account of the *Banco Industrial, S. A.* to be finally credit in the account of *Informática Avanzada Comercial*, constituted in said bank.

On May 28th, 2004, the Financial Director and Sub-Director of the *Portuaria Quetzal* company informed the *Banco de Guatemala* that they were not aware of the terms of the letter mentioned in the above paragraph and that they had not instructed the fund transfer carried out by the *Banco de Guatemala* on May 25th, 2004. Based on the notification of the *Portuaria Quetzal* company, the General Director of the *Banco de Guatemala*, on May 28th, 2004, on one hand, requested the *Banco Industrial, Sociedad Anónima* to revoke the payment of the checks issued or drawn against the account of *Informática Avanzada Comercial*, constituted in said bank and, on the other hand, it filed the respective demand in the District Attorney of Guatemala of the *Ministerio Público*, declaring the facts regarding said operation.

Derived from the actions carried out by the General Director of the *Banco de Guatemala*, requesting the payment revocation of the checks drawn against the account of *Informática Avanzada Comercial*, constituted in the *Banco Industrial, S. A.*, it was possible for said bank to revoke the payment of 4 cashier's checks for an amount of Q14.7 million and to froze funds for Q106,618.00 in said account. Though the actions carried out by the

25 To the request of the SAT , Barclays Bank, PLC was constituted as a second confirming bank of the letter of credit No. 17232.

Banco de Guatemala and *Banco Industrial, S. A.*, it was not possible to avoid the payment of 5 checks for an amount of Q193,282.00 drawn against said account. Therefore, depending on the legal resolution, the *Banco de Guatemala* might affect its wealth for an amount of Q193,282.00.

Regarding these operations, it is important to mention that, to date, the *Banco de Guatemala* has not registered provisions to cover the possible obligations or losses that might arise from the three contingences mentioned in this section, due that, according to the established by the Norm of International Accounting number 37 (NIC37), when there is a possible obligation derived from past events, which can be only confirmed by the occurrence, or not occurrence, of one or more uncertain events in the future, which are not entirely under the control of the company and that might or might not require a flow of resources, the entities should not recognize provisions (certain obligations in which there is uncertainty regarding its amount) and it is only recommended to reveal the complementary information regarding the contingency. In that sense, taking into account that the three mentioned contingences correspond to possible obligations, derived from past transactions, the resolution of which depends on the result of the lawsuits filed in the country and abroad. The Central Bank, technically, considers inappropriate to register provisions and starts divulging them as recommend by the mentioned NIC.

Annex 3

MAIN RESOLUTIONS ISSUED BY THE MONETARY BOARD

1. Resolution JM-6-2005 dated January 5th, 2005

It determined the interest rate for taxation purposes, referred by article 58 of the Fiscal Code, that will be in force for the first semester of 2005.

2. Resolution JM-7-2005 dated January 12th, 2005

It issued favorable opinion regarding the contracting of loan No. 1590, for an amount up to US\$10,467,835.00, to be subscribed between the Government of the Republic of Guatemala and the *Banco Centroamericano de Integración Económica -BCIE-*, to partially finance the project “Introduction of Educational Computer Appliances in the Elementary Education of the Official System of Guatemala”.

3. Resolution JM-12-2005 dated January 19th, 2005

It approved the balance sheets of the *Banco de Guatemala* that correspond to the fiscal year between January 1st and December 31st, 2004.

4. Resolution JM-13-2005 dated January 19th, 2005

It authorized the President of the Monetary Board to, through the *Ministerio de Finanzas Públicas*, carry out the corresponding procedures before the Executive Branch so that the net deficiency of the *Banco de Guatemala*, of the fiscal year 2004 of Q1,159,520,245.55, is included in the General Income and Expense budget of the State for the fiscal year 2006.

5. Resolution JM-28-2005 dated February 9th, 2005

It authorized the separation of the *Financiera Reforma, Sociedad Anónima* from the *Financial Group Reformador*.

6. Resolution JM-33-2005 dated February 9th, 2005

It suspended the operations of the *Banco Empresarial, Sociedad Anónima*, and appointed the Board of Exclusion of Assets and Liabilities of said banking entities.

7. Resolution JM-34-2005 dated February 9th, 2005

It suspended the operations of the *Banco Metropolitano, Sociedad Anónima* and appointed the Board of Exclusion of Assets and Liabilities of said banking entity.

8. Resolution JM-35-2005 dated February 9th, 2005

It suspended the operations of the *Banco Promotor, Sociedad Anónima* and appointed the Board of Exclusion of Assets and Liabilities of said banking entity.

9. Resolution JM-46-2005 dated February 23rd, 2005

It issued favorable opinion regarding the contracting of loan No. 1627, for an amount of US\$40.1 million, to be subscribed between the *Instituto Nacional de Electrificación -INDE-* and the *Banco Centroamericano de Integración Económica -BCIE-*, to partially finance the “Project to Support the Rural Electrification Program (PER) [Acronym in Spanish.] for Transmission Works”.

10. Resolution JM-50-2005 dated March 2nd, 2005

It approved the lineaments to grant credit to the national private banks, according to the established in article 48 of the Organic Law of the *Banco de Guatemala*.

11. Resolution JM-51-2005 dated March 2nd, 2005

It issued the “Regulation to issue paper money and coins”, as well as the “Regulation for the Cashing, Amortization and Destruction of Paper Money and Coins”.

12. Resolution JM-61-2005 dated March 9th, 2005

It issued favorable opinion for the proposal of main drawings of the front and reverse, as well as the dominant color of the paper money of Q200.00, Q500.00 and Q1,000.00.

13. Resolution JM-73-2005 dated March 16th, 2005

It revoked the authorization of the *Banco Metropolitano, Sociedad Anónima* to operate, granted by the Monetary Board through resolution 8517, dated March 1st, 1978.

14. Resolution JM-74-2005 dated March 16th, 2005

It revoked the authorization of the *Banco Promotor, Sociedad Anónima* to operate, granted by the Monetary Board through resolution JM-288-85, dated December 11th, 1985.

15. Resolution JM-75-2005 dated March 16th, 2005

It instructed the *Superintendencia de Bancos* to request to the First Instance Civil Court the bankruptcy declaration of the *Banco Metropolitano, Sociedad Anónima*.

16. Resolution JM-76-2005 dated March 16th, 2005

It instructed the *Superintendencia de Bancos* to request to the First Instance Civil Court the bankruptcy declaration of the *Banco Promotor, Sociedad Anónima*.

17. Resolution JM-77-2005 dated March 30th, 2005

It approved, for its publication, the Aide-Memorie of the *Banco de Guatemala* 2004.

18. Resolution JM-78-2005 dated March 30th, 2005

It modified clause e) of article 8 of the Regulation of the Investments Council of International Monetary Reserves of the *Banco de Guatemala*, issued in Resolution JM-42-2004.

19. Resolution JM-80-2005 dated March 30th, 2005

It issued favorable opinion regarding the contracting of loan No. 1598/OC-GU, for an amount up to US\$100.0 million, to be subscribed between the Government of the Republic of Guatemala and the Inter-American Development Bank -IDB-, to finance the project “Social Quality Improvement Program”.

20. Resolution JM-81-2005 dated March 30th, 2005

It established the real quotas that, to support the *Superintendencia de Bancos* during the year 2005, should be paid to the *Banco de Guatemala*, to the system’s banks, financial societies, bonded warehouses, insurance companies and *Instituto de Fomento de Hipotecas Aseguradas -FHA-*, to companies of guarantee bonds, to exchange agencies, to off-shore entities and other companies that integrate the financial groups.

21. 21. Resolution JM-89-2005 dated April 27th, 2005

It cancelled the authorization of the *Productores Inversionistas, Casa de Cambio, Sociedad Anónima*, to operate as an exchange agency, granted in resolution JM-708-93, dated October 21st, 1993.

22. Resolution JM-90-2005 dated May 4th, 2005

It issued favorable opinion regarding the loan up to US\$10.0 million, to be subscribed between the Republic of Guatemala and the OPEP Fund for the International Development, to finance the “Social, Economic and Productive Program of the Populations of *Baja* and *Alta Verapaz*, Republic of Guatemala”.

23. Resolution JM-92-2005 dated May 18th, 2005

It issued the “Regulation for the Banking System’s Investment in Security Titles issued by Private Entities”.

24. Resolution JM-93-2005 dated May 18th, 2005

It issued the “Regulation for the Administration of Credit Risks”.

25. Resolution JM-96-2005 dated May 25th, 2005

It approved, for its divulgation, the Study of the National Economy 2004.

26. Resolution JM-99-2005 dated June 1st, 2005

It issued favorable opinion regarding the loan to be subscribed between the Republic of Guatemala and the OPEP Fund for the International Development, up to US\$10,000,000.00 and the International Fund for Agricultural Development -IFAD- up to DEG 21,550,000.00, the funds of which will be used to finance the “National Program for Rural Development, First phase: The Western Region”.

27. Resolution JM-100-2005 dated June 1st, 2005

It issued favorable opinion regarding the global investment plans of the technical and mathematical reserves of companies of insurance and guarantee bonds that operate in the country, accumulated to December 31st, 2004.

28. Resolution JM-103-2005 dated June 16th, 2005

It revoked the authorization to the *Banco Empresarial, Sociedad Anónima* to operate, granted by the Monetary Board through resolution JM-118-89, dated June 21st, 1989.

29. Resolution JM-104-2005 dated June 16th, 2005

It instructed the *Superintendencia de Bancos* to request to the first instance civil court the bankruptcy declaration of the *Banco Empresarial, Sociedad Anónima*.

30. Resolution JM-105-2005 dated June 22nd, 2005

It approved Agreement number 14-2005 of the *Superintendente de Bancos*, June 17th, 2005, through which the Manual of Accounting Instructions for Banks and Financial Societies was amended.

31. Resolution JM-106-2005 dated June 22nd, 2005

It modified the administrative structure of the Financial Area of the *Banco de Guatemala*.

32. Resolution JM-109-2005 dated July 6th, 2005

It determined the interest rate for taxation purposes, referred in article 58 of the Tax Code that will be in force for the second semester of 2005.

33. Resolution JM-124-2005 dated August 10th, 2005

It authorized the system's banks to invest in security titles issued by the Government of the United States of America.

34. Resolution JM-127-2005 dated August 17th, 2005

It issued favorable opinion regarding the contracting of loan No. 1698 to be subscribed between the Government of the Republic of Guatemala and the *Banco Centroamericano de Integración Económica -BCIE-*, up to US\$20.0 million, the funds of which will be used to partially finance the program "Support to the Productive Sector II".

35. Resolution JM-130-2005 dated August 24th, 2005

It authorized the *Banco de Guatemala* to issue coins of the VI Latin American Commemorative Coins Series with the topic "Architecture and Monuments".

36. Resolution JM-134-2005 dated September 7th, 2005

It issued favorable opinion regarding the contacting of loan No. 7319-GU, up to US\$100.0 million, to be subscribed between the Government of the Republic of Guatemala and the International Bank for Reconstruction and Development -IBRD-, denominated "First Broad-Based Growth Development Policy loan".

37. Resolution JM-135-2005 dated September 7th, 2005

It issued favorable opinion regarding the contracting of loan No. 1735 to be subscribed between the Government of the Republic of Guatemala and the *Banco Centroamericano de Integración Económica -BCIE-*, up to US\$400.0 million, the fund of which will be used to partially finance the “Multisectorial Program to Strengthen Investment”.

38. Resolution JM-136-2005 dated September 7th, 2005

It modified the formation of the Financial Group *G&T Continental*.

39. Resolution JM-139-2005 dated September 14th, 2005

It issued favorable opinion, on one hand, for the issue of Treasury Bonds of the Republic of Guatemala for the Fiscal Year 2006, for an amount up to Q3,313,000,000.00 and, on the other hand, for the issue of Treasury Bills for the Fiscal Year 2006, up to twenty percent (20%) of the current incomes estimated in the project of General Income and Expense Budget for the Fiscal Year 2006.

40. Resolution JM-147-2005 dated October 5th, 2005

It issued favorable opinion regarding the contracting of the loan No. GT-P5 to be subscribed between the Republic of Guatemala and the Japan Bank for International Cooperation -JBIC-, up to 7,357.0 million of yens, the funds of which will be used to partially finance the “Project for the Improvement of the ZONAPAZ road”.

41. Resolution JM-157-2005 dated November 9th, 2005

It issued favorable opinion regarding the contracting of loan No. 1656 to be subscribed between the Republic of Guatemala and the *Banco Centroamericano de Integración Económica -BCIE-*, up to US\$12.5 million, the funds of which will be used to partially finance the Project “Enlarging, Improvement and Modernization for the Equipment of the Seismological, Meteorological and Hydrological Observation Networks for the Prevention of Natural Disasters”.

42. Resolution JM-166-2005 dated November 30th, 2005

It approved the “Regulation of the Real Term Gross Domestic Settlement -LBTR-”.

43. Resolution JM-168-2005 dated December 7th, 2005

It expressed to the *Ministerio de Trabajo y Previsión Social* that, while not establishing new minimum salaries, there were no observations to be formulated regarding the established in article 112 of the Work Code.

44. Resolution JM-174-2005 dated December 14th, 2005

It approved the Income and Expense Budget of the *Superintendencia de Bancos* for 2006.

45. Resolution JM-175-2005 dated December 14th, 2005

It authorized the formation of *Grupo Financiero Uno* and the organizational structure of said group.

46. Resolution JM-179-2005 dated December 21st, 2005

It approved the Income and Expense Budget of the *Banco de Guatemala* for 2006.

47. Resolution JM-185-2005 dated December 27th, 2005

It resolved to have the Monetary, Exchange and Credit Policy of 2005 as evaluated and determined the Monetary, Exchange and Credit Policy for 2006.

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This Aide-Memorie was approved by the Monetary Board in resolution JM-40-2006, dated March 22nd, 2006.