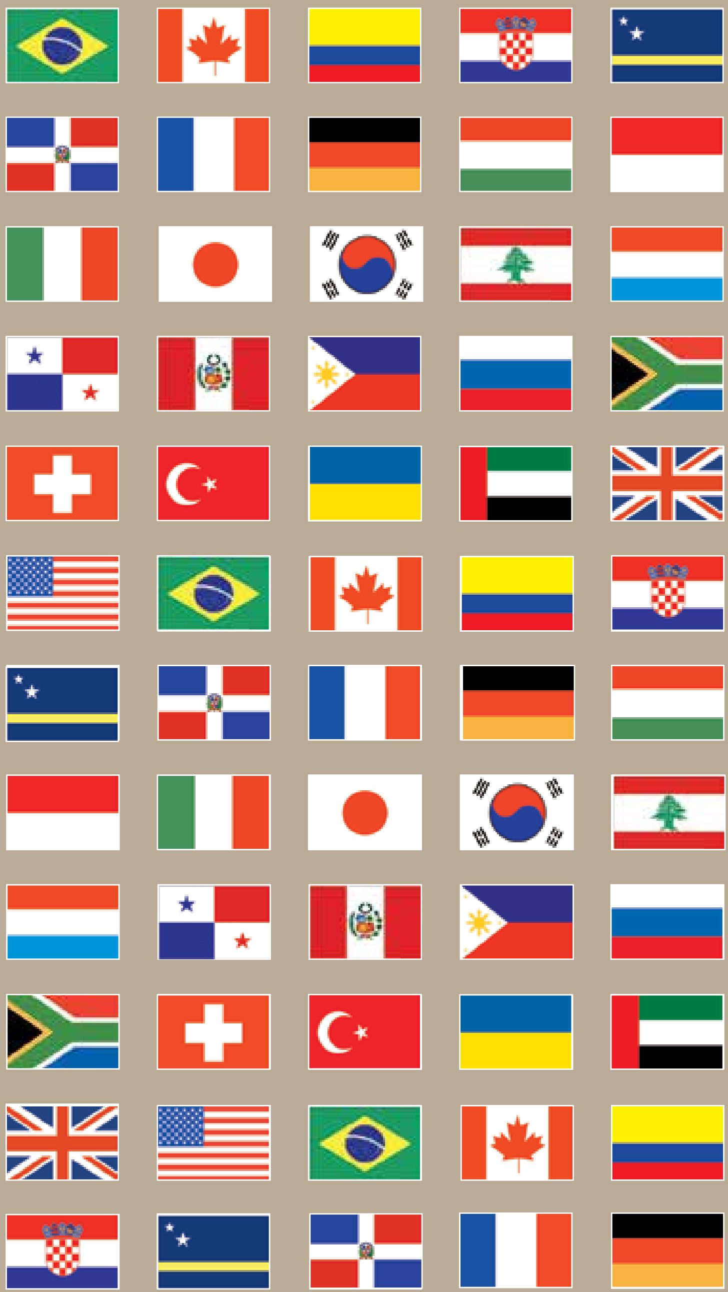
GETTING THE DEAL THROUGH

Banking Regulation

in 26 jurisdictions worldwide

2014

Contributing editor: David E Shapiro



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Getting the Deal Through is delighted to publish the seventh edition of *Banking Regulation*, a volume in our series of annual reports, which provide international analysis in key areas of law and policy for corporate counsel, cross-border legal practitioners and business people.

Following the format adopted throughout the series, the same key questions are answered by leading practitioners in each of the 26 jurisdictions featured. New jurisdictions this year include Canada and Russia.

Every effort has been made to ensure that matters of concern to readers are covered. However, specific legal advice should always be sought from experienced local advisers. *Getting the Deal Through* publications are updated annually in print. Please ensure you are referring to the latest print edition or to the online version at www.gettingthedealthrough.com.

Getting the Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We would also like to extend special thanks to contributing editor David E Shapiro of Wachtell, Lipton, Rosen & Katz for his continued assistance with this volume.

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Dominican Republic

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Regulatory framework

1 What are the principal governmental and regulatory policies that govern the banking sector?

The principal laws that govern the Dominican monetary and financial system are the Constitution of the Dominican Republic (specifically section II, chapter I, title XI – articles 223 to 232), the Monetary and Financial Law (MFL) (Law 183-02), Systemic Risk Law No. 92-04 and the Law for the Development of the Mortgage Market and Trusts, along with the regulations for their respective applications, which, depending on the nature of the subject matter, may be issued by the Tax Administration, the Monetary Board, the Central Bank of the Dominican Republic or the Superintendency of Banks (SIB).

Please note that the laws and regulations of the Dominican Republic pertaining to banking regulations follow the principles and standards of two of the Basel Accords, specifically Basel I and certain principles and standards contemplated by Basel II.

2 Summarise the primary statutes and regulations that govern the banking industry.

In broad terms, the MFL and the legal framework applicable to financial institutions in the Dominican Republic seek to regulate areas and operations of importance within the institutions such as: operational risks, corporate governance, foreign exchange operations, solvency and asset evaluation, related-party transactions, systemic risk, liquidity risks and other risks. Moreover, the law requires financial entities to maintain legal reserves as a percentage of the total funds collected from the public in any form or instrument, local or foreign currency with the central bank. Credit institutions and banks must also maintain, at all times, the minimum capital level required by law.

3 Which regulatory authorities are primarily responsible for overseeing banks?

The Constitution establishes that regulation of the monetary and banking system is the responsibility of the Central Bank. Dominican banks and other Dominican financial institutions are regulated by the Monetary and Financial Administration, which is composed of the Central Bank, the Monetary Board (which is the highest authority of the Central Bank) and the SIB. As indicated above, the regulatory framework for the operation of the Dominican financial sector is currently set out in the MFL, in rulings and regulations issued by the Monetary Board (regulations are approved by the monetary board through resolutions) and in circulars and ruling application guidelines issued by the SIB. Please note that if a financial institution becomes a participant in the capital market, then it will also be subject to the regulations set out by the Superintendency of Securities.

4 Describe the extent to which deposits are insured by the government. Describe the extent to which the government has taken an ownership interest in the banking sector and intends to maintain, increase or decrease that interest.

Deposits are insured by the regulator up to the amount of 500,000 Dominican pesos.

Banco de Reservas, one of the largest in the country, is wholly-owned by the government; however, it is subject to the same regulations applicable to all financial institutions in the Dominican Republic.

5 Which legal and regulatory limitations apply to transactions between a bank and its affiliates? What constitutes an 'affiliate' for this purpose? Briefly describe the range of permissible and prohibited activities for financial institutions and whether there have been any changes to how those activities are classified.

Pursuant to the Regulation on Risk Concentrations approved by the Monetary Board, the total amount of direct and indirect credits granted in favour of a person or risk group may not exceed 10 per cent of the bank's regulatory capital. 'Risk group' is defined as a group of two or more individual or juridical persons related or joined by reason of property, management, family or control. This 10 per cent limit may be extended to a maximum of 20 per cent depending on the type of collateral securing the excess above such limit.

The Regulation covers both direct and indirect credits and establishes certain cases where the existence of a risk group may be presumed. Such cases include when the person exercises a controlling participation in the financial or operational policies of an enterprise but does not control such policies; when the person is an associate or shareholder; when the person forms part of a consortium; when there is common control (through contractual arrangements); and when the management controlling planning, decisions or activities is shared by more than one person.

Loans granted to spouses and close relatives of the borrower and to juridical persons controlled by the borrower are considered under the same lending limit for purposes of determining the individual limit that can be loaned to such person. Loans to corporations and juridical persons forming part of the same economic or financial group, as well as loans to shareholders controlling 20 per cent or more of the capital of a juridical person and who are involved in management will be considered under the same lending limit when determining the limit that can be loaned to a borrower.

The total aggregate limit on loans to related parties must not exceed 50 per cent of a bank's regulatory capital. Within this limit, the total aggregate amount of loans granted by a financial intermediary to its employees may not exceed 1.5 per cent of regulatory capital, and individual loans to employees must not exceed 10 per cent of this 1.5 per cent limit. According to the Regulation, none of the preceding limits can be used by a financial intermediary for the purpose of investing in its own shares or in those of its parent company, controlling company or holding.

The Regulation considers the following persons as related parties to a financial intermediary: physical or juridical persons who participate in a financial intermediary as shareholders, board members, managers, executives, legal representatives or employees, as well as spouses and certain relatives of those persons. Enterprises or risk groups that participate directly or indirectly in a financial intermediary (without having a direct ownership relationship), as well as enterprises controlled (through equity of management) by a financial intermediary, are also considered related parties. For purposes of the Rules on Credit Limits to Related Parties, direct or indirect ownership of 3 per cent or more of a financial intermediary's equity capital or revenues is considered to constitute a relationship with such financial intermediary. Ownership of 10 per cent or more is considered to constitute an influential participation. Ownership of 20 per cent or more is considered as constituting a controlling participation. The power to appoint the majority of the board of directors or management and the power to influence decisively a financial intermediary's decisions or management also constitutes control.

6 What are the principal regulatory challenges facing the banking industry?

The main challenges are to keep the local regulatory framework according the international standards applicable to the industry. The Dominican Republic is civil law legislation; at some point this may become a challenge since the approval of Congress, upon request of the Monetary and Financial Administration, would be required for major changes in the existing legislation.

7 How has regulation changed in response to the recent crisis in the banking industry?

In 1992, the SIB initiated a programme with assistance from the Inter-American Development Bank to reform its regulatory framework for banking supervision. The MFL arose as result of this programme and an internal financial crisis during the late 1990s and the first couple of years of the new century. During the financial crisis of 2008 and 2009, the Dominican economy slowed substantially, but the currency remained stable and the MFL was not amended.

The MFL was adopted in 2002 and the SIB implemented measures that included the following:

- a capital adequacy ratio that requires capital and reserves as a percentage of risk-weighted assets equal to 10 per cent;
- programmes for regulatory on-site audits and periodic reporting requirements that are published in national newspapers, which are intended to ensure that banks comply with regulatory standards;
- uniform accounting rules for the financial system;
- evaluation of market risk based on:
  - liquidity risk, which derives from the incapacity of a financial institution to cover the requested resources generated by its liabilities and other obligations, in both local and foreign currency;
  - interest rate risk, which refers to the potential losses of net income or in the capital base due to the inability of the institution to adjust the return on its productive assets (loan portfolio and financial investment) with the fluctuation in the cost of its resources, produced by fluctuations in interest rates; and
  - exchange rate risk, which refers to potential losses that could occur because of short positions or term unbalance of assets and liabilities denominated in foreign currency, in the event of exchange rate movements;
- solvency indicators similar to those proposed under the Basel accord; and
- a more rigorous method for classifying financial assets in terms of risk.

This method of risk-based classification reduced the number of risk categories and increased the amounts financial institutions are required to reserve in order to mitigate potential losses arising from certain loans ('loan-loss reserves'). With respect to loan-loss reserves, current regulations impose reserve requirements based on risk categories of financial assets.

The SIB revises its regulations in accordance with international standards and with the goal of increasing the average quality of the financial system's loan portfolio.

The current legal reserve requirement mandates that all multiple-service banks must keep a reserve ratio of 20 per cent over liabilities for foreign currency-denominated deposits and 15.6 per cent for local currency-denominated deposits, in each case subject to reserve requirements. This compulsory reserve must be maintained with the central bank.

8 In what ways do you anticipate the legal and regulatory policy changing over the next few years?

The regulatory authorities have, for years now, expressed their interest in consolidating some of the existing regulation in what would be an amendment to the MFL. In the context of such amendment, certain provisions would be included to promote the development of products that are currently offered by the industry, but which are difficult to implement because of regulatory constraints. Likewise, the new legislation will seek to provide a regulatory framework for the transformation of savings and loans into full service or universal banks.

Supervision

9 How are banks supervised by their regulatory authorities? How often do these examinations occur and how extensive are they?

Banks are subject to extensive reporting requirements that range from daily, weekly, monthly to annual reports. At least one annual site visit is made by the SIB for a comprehensive review of the operations of the institution. This visit may last for up to six weeks, and at the end a report with an evaluation and recommendations is issued. The institution subject to the site visit must comply with the recommendations set out in the report within the timetable indicated by the authorities.

An institution's annual audited financial statements are filed with the authorities and published in a newspaper of nationwide circulation.

10 How do the regulatory authorities enforce banking laws and regulations?

The monetary and financial system is regulated and managed exclusively by the Monetary and Financial Administration, including the setting of policies, regulations and the imposition of sanctions. Any violation of the existing regulation will result in administrative and legal responsibly punishable in accordance with the law.

The law describes two types of violation under its regulation: quantitative infringements and qualitative infringements.

Quantitative infringements refer to the non-compliance by financial entities in respect of the rules of reasonable care, asset evaluation norms, and violations related to legal reserves. Penalties regarding these infractions vary as they are fixed percentages related to the amount of capital, reserves or provisions that failed to be adequately fulfilled under the legal limits.

Qualitative infringements are divided into three groups:

- very serious infractions such as carrying out brokerage activities without authorisation, making corporate changes without prior authorisation, not allowing supervision by the authorities, undertaking activities prohibited by law, non-compliance with regulations such as accounting regulations, placing clients' deposits at risk, violating criminal laws and in general breaching any standard banking practice or the law;
- serious infractions such as undertaking abusive banking practices with customers, non-compliance with reporting duties to authorities, and others; and
- slight infringements such as unauthorised modification of the business hour, delays in submission of the information to authorities, violations of applicable principles, and others.

Each of the qualitative violations described above would allow the authorities to apply different levels of penalties including fines of up to 10 million Dominican pesos, cancellation of the operating licence and closing the establishment. These penalties and fines could be imposed by one or more of the institutions that compose the Monetary and Financial Administration.

11 What are the most common enforcement issues and how have they been addressed by the regulators and the banks?

Major enforcement issues are not frequent. As for minor enforcement issues, most have to do with reporting requirements, miscalculations of reserves or incomplete documentation, and fines are usually applied and a reasonable cure period is given to remedy the breach.

12 How has bank supervision changed in response to the recent crisis?

In April 2010, the SIB changed its method of supervision from compliance-based supervision to risk-based supervision, which is likely to require the implementation of more strict risk management measures by financial institutions.

Resolution

13 In what circumstances may banks be taken over by the government or regulatory authorities? How frequent is this in practice? How are the interests of the various stakeholders treated?

In general, under Dominican banking regulations, financial entities can be subject to intervention, dissolution or liquidation by the SIB.

Grounds for dissolution are:

- the non-payment of liquid, due, or enforceable obligations;
- a solvency ratio insufficiency representing more than 50 per cent of the minimum capital requirement;
- when required by banking laws or regulations, the failure to present a regularisation plan to, or the rejection of such plan by, the SIB;
- while executing a regularisation plan, engaging in operations that make such plan unfeasible;
- upon completing a regularisation plan, not correcting the causes which originated the need for regularisation; and
- the revocation of the licence to operate imposed as a penalty upon the financial intermediary entity.

Based on the grounds set out in the paragraph above, the Monetary Board, when proposed by the SIB, must decide on the dissolution of the affected financial intermediary entity. The Monetary Board's decision implies an automatic revocation of the entity's licence to operate and banking operations are immediately suspended.

The SIB must immediately intervene and take possession of all offices and branches, books, documents and records. Stockholders' and creditors' rights will become suspended in connection with the internal control organs, board of directors and managers.

Set out below are the first order obligations under the MFL:

- private sector deposits in checking accounts, savings accounts and time deposits, excluding operations with other financial institutions and related parties in accordance with the following guidelines:
  - 100 per cent of the securities or obligations for housing finance and construction issued and outstanding under the Law for the Development of the Mortgage and Fiduciary Market;
  - 100 per cent of the deposits covered by the guarantee of the contingency fund at the time of the dissolution, up to 500,000 Dominican pesos per depositor; in the case of deposits where the amount is not fully secured, at least the portion that is secured will be segregated and transferred; and
  - up to 100 per cent of the amount of deposits exceeding the guaranteed value;
- cash mandates, including trade pre-payments, tax withholdings, transfers and transfers established on signed contracts. If the holder of such instruments is not a public institution, such instruments must have been properly documented and recorded in the financial statements of the bank prior to the dissolution procedure;
- judicial deposits;
- labour obligations: the SIB will satisfy all labour liabilities of the bank prior to foreclosure and transfer of assets and liabilities. In the event that this is not possible due to lack of funds, these liabilities are segregated and transferred; and
- the price payable for the technical assistance contract with the SIB, if applicable.

Set out below are the second order obligations under the MFL:

- deposits or current accounts, savings and time deposits of public institutions;
- liabilities to the central bank;
- obligations with other financial institutions;
- tax liabilities; and
- unsecured and non-privileged credits.

In practice, takeover of banks occurs only very rarely. In the past few decades we have only seen two cases.

14 What is the role of the bank's management and directors in the case of a bank failure? Must banks have a resolution plan or similar document?

Pursuant to the MFL, a financial intermediary is required to submit to the SIB for its approval a plan of regularisation (corrective action) when it is in violation of certain requirements established in the Law, the Banking Regulations and other regulatory requirements. A financial intermediary must present a plan of regularisation to the SIB when one or more of the following causes is present:

- its regulatory capital or its equivalent is reduced between 10 per cent and 50 per cent during a 12-month period;
- its solvency ratio is lower than the minimum required and the insufficiency of its solvency ratio is greater than the limit established by the MFL;
- the legal reserves are deficient;
- the entity repeatedly requires credit facilities from the central bank as lender of last resort;
- false financial information or fraudulent documentation has been submitted to the SIB or to the central bank;
- there have been recurrent breaches of the MFL or the Banking Regulations;

- it engages in actions that put the public's deposits or the entity's liquid assets and financial solvency in grave danger; or
- its external auditors submit a qualified opinion regarding the entity's regulatory solvency or the entity publishes incomplete audited financial statements.

In the event of a bank failure, it is likely that the SIB will immediately intervene and take possession of all offices and branches, books, documents and records. Shareholders' and creditors' rights will become suspended in connection with the internal control organs, board of directors and managers.

15 Are managers or directors personally liable in the case of a bank failure?

They are personally liable if they failed to act with due care and to observe their fiduciary duties.

16 How has bank resolution changed in response to the recent crisis?

No additional changes have been made since the legislation passed as a result of a crisis in the mid-1990s. The process and scenarios whereby the SIB is entitled to intervene in a bank were clarified then and the clarifications made at that time still remain in full force and effect.

Capital requirements

17 Describe the legal and regulatory capital adequacy requirements for banks. Must banks make contingent capital arrangements?

Banks in the Dominican Republic are required to have regulatory capital of at least 10 per cent of risk-weighted assets. Multiple-service banks and credit institutions that do not comply with the capital adequacy ratio are legally considered to be insolvent.

Multiple-service banks and credit institutions are required to maintain minimum subscribed capital determined by the Monetary Board. Currently the amounts are as follows:

Financial institution	Minimum subscribed capital (in Dominican pesos)
Multiple-service banks	163 million
Savings and credit banks	33 million
Credit corporations	9 million
Savings and loan associations	10 million

Multiple-service banks, savings and credit banks and credit institutions must request the prior approval of the SIB for increases and reductions of paid-in capital.

The Monetary Board, in accordance with inflation and as determined by the central bank, could change the minimal amounts of capital required for the opening and operation of each type of financial institutions. The authorised capital will be entirely subscribed and paid in cash. No entity may increase or reduce the company capital without the prior approval of the SIB.

The financial institutions that fail to maintain a minimum solvency ratio are required to supplement the shortfall in capital. The capital increases paid to comply with the capital adequacy ratio may be made only in cash or retained earnings.

Regulated financial institutions are also required to maintain, at all times, the minimum level of regulatory capital required in relation to risk-adjusted assets, as determined by law.

The total regulatory capital of multiple-service banks and credit institutions is defined as the sum of Tier I Regulatory Capital and Tier II Regulatory Capital, excluding capital invested in other financial institutions; the excess capital invested according to the provisions of the MFL; the capital invested locally to support agencies and related services, to the extent the bank is majority owner of such agencies; and the accumulated losses, current losses, unincorporated provisions and other non-expensed losses, all as determined by applicable regulation.

The primary capital (Tier I Regulatory Capital) consists of paid-in capital, legal reserves required by the law, non-distributable profits, mandatory statutory reserves, and voluntary and non-distributable share premium on the basis of criteria defined by regulation. Secondary capital (Tier II Regulatory Capital) is made up of other capital reserves, provisions for risky assets above a minimum amount up to a ceiling of 1 per cent of contingent assets and risk-weighted assets, mandatory convertible debt instruments in shares, subordinated debt with a duration of over five years and the net income from revaluation surplus, all as determined by applicable regulation.

18 How are the capital adequacy guidelines enforced?

Capitalisation requirements are supervised by the SIB. The law requires regulated financial institutions to maintain legal reserves as a percentage of the total of the funds collected from the public in any form or instrument, local or foreign currency with the central bank.

Multiple-service banks must keep a reserve ratio of 20 per cent over liabilities for foreign currency-denominated deposits and 15.6 per cent for local currency-denominated deposits, in each case subject to reserve requirements.

The law grants the Monetary Board the authority to adjust the reserve ratio in accordance with market, systematic or macroeconomic conditions. This compulsory reserve must be maintained at the central bank.

19 What happens in the event that a bank becomes undercapitalised?

Failure to comply with the current regulation may result (if not cured in a given period of time granted by the authorities) in the application of fines or in extreme cases the intervention, dissolution or liquidation of the institution by order of the SIB.

20 What are the legal and regulatory processes in the event that a bank becomes insolvent?

The Systemic Risk Law provides that the central bank may grant special financial assistance to troubled banks in exceptional situations of liquidity or insolvency crisis that may pose a threat to the market. The Systemic Risk Law creates a special fund to consolidate the banks, and access to such funds is subject to specific conditions regarding low risk collateral and correct valuation of the assets provided as collateral. Furthermore, such assistance must be authorised by the Monetary Board and the implementation of a special programme would be required for the bank to complete the requirements set out by the regulator.

This programme would make banks subject to several obligations and strict supervision by the Monetary and Financial Administration. During or after the special programme, the authorities could order the sale of the bank, the merger with another institution or the sale of its assets.

Dominican courts would be vested with jurisdiction in any insolvency proceedings and would apply the laws of the Dominican Republic in any such insolvency proceeding. Other than in connection with the amicable settlement process mentioned below, Dominican bankruptcy law does not provide for reorganisation similar to that provided for in chapter 11 of the US Bankruptcy Code or for an automatic stay on collection or foreclosure efforts by secured creditors.

In general, under Dominican banking regulations, financial entities can be subject to intervention, dissolution or liquidation by the SIB. Grounds for dissolution are detailed in question 13.

The SIB will immediately intervene and take possession of all offices and branches, books, documents and records. Stockholders' and creditors' rights will become suspended in connection with the internal control organs, board of directors and managers. In the event of intervention the payment of interest and principal on the notes will be suspended until the SIB determines and distributes the liquidation amounts according to the priority of payments set out in the regulations relating to the dissolution and liquidation of financial institutions (see question 13).

21 Have capital adequacy guidelines changed, or are they expected to change in the near future?

They have changed as outlined in the answers above. As for changes in the near future, none are expected.

Ownership restrictions and implications

22 Describe the legal and regulatory limitations regarding the types of entities and individuals that may own a controlling interest in a bank. What constitutes 'control' for this purpose?

The law does not refer to term 'control' when addressing the requirements for ownership; a 30 per cent shareholding interest is considered a 'relevant participation' and as such, the proposed investor will undergo scrutiny from the SIB and the Monetary Board. In addition to the foregoing, financial institutions may include in their by-laws further requirements that may indirectly restrict the participation of new investors as shareholders.

23 Are there any restrictions on foreign ownership of banks?

Article 39 of the MFL, establishes certain restrictions on foreign direct investment in the banking system and on a foreign bank establishing a branch or subsidiary in the Dominican Republic. Specifically, a foreign investor may not acquire 30 per cent or more of the outstanding shares of a Dominican financial institution without the prior approval of the Monetary Board.

Moreover, if a foreign financial institution seeks to establish a subsidiary or open a branch in the Dominican Republic, the prior authorisation of the Monetary Board is also required. In such instance, the Monetary Board's approval will only be granted with the coordination of the regulators of the country of origin of such foreign financial institution.

24 What are the legal and regulatory implications for entities that control banks?

The transfer of a controlling interest in such entities is subject to the approval of the Monetary Board.

25 What are the legal and regulatory duties and responsibilities of an entity or individual that controls a bank?

Other than the restrictions applicable to the transfer of a controlling interest in the shareholding structure, the holding of a financial institution is subject to the provisions of the Law on Corporations of the Dominican Republic. Likewise, entities and individuals are subject to the same tax treatment as other individuals not related to financial institutions at a controlling level would be.

> **Update and trends**
>
> The potential change in regulation to allow for the transformation of service and loans into full service banks seems to be at the top of the regulator's agenda. Also worth mentioning is the increasing use of collateral trusts in lieu of the traditional collaterals, such as mortgages and pledges. Finally banks are concentrating their efforts in educating its clients about the implications of FATCA over the disclosure of information and the potential involvement of the tax authorities in an effort to comply with such regulation.

26 What are the implications for a controlling entity or individual in the event that a bank becomes insolvent?

The extent of the controlling entity liability will be determined during the process for the declaration of insolvency, to be carried out by the monetary and financial authorities. The shareholders are the last to recuperate their investment, if the recovered amount suffices.

Changes in control

27 Describe the regulatory approvals needed to acquire control of a bank. How is 'control' defined for this purpose?

The approval of the Monetary Board is required in order to acquire a significant participation, which is defined as 30 per cent or more of the shareholding interest of a financial institution.

28 Are the regulatory authorities receptive to foreign acquirers? How is the regulatory process different for a foreign acquirer?

Yes. As for the process, it may take longer depending on whether foreign individuals or entities are involved (whether previously involved in the financial sector or not); translations (if the language used is not Spanish) may be required, as well as certifications of good conduct, good standing and further documentation evidencing the origin of the capital to be invested in the local entity and the identity of the acquirers.

29 What factors are considered by the relevant regulatory authorities in an acquisition of control of a bank?

Compliance with the provisions set out by the law to the full satisfaction of the SIB for the subsequent approval of the Monetary Board.

30 Describe the required filings for an acquisition of control of a bank.

For individuals the following must be filed:

- official documentation indicating name and legal domicile with the signature duly notarised, copy of the passport, at least two banking and two commercial references;
- curriculum vitae;
- a certification of good conduct issued by the Office of the Attorney General of the Dominican Republic or the equivalent authority of the acquirer's jurisdiction indicating that there are no past or current criminal claims against the acquirer;
- certified financial statements along with sworn declaration indicating the origin of the funds to be invested;
- percentage of the institution that the individual will acquire, indicating the total amount of the investment and the value per share; and
- a copy of the latest tax declaration.

For corporations, the following must be filed:

- name and domicile of the potential investor and if it is a financial institution, the authorisation granted by the regulatory authority of its jurisdiction to act as such;
- certified copies of its incorporation documents duly no, including a certified copy of the minutes of the shareholder meeting or the resolution approved by the board of directors in connection with the potential investment in the Dominican Republic;
- balance sheet and financial statements for the past two years, including the auditor's letter and any additional information in connection thereto;
- personal identification and notarised signature of the legal representative appointed by the institution;
- domicile within the Dominican Republic chosen by the representative to receive any notice sent by the Monetary and Financial Administration; and
- the percentage of the institution that the potential buyer seeks to acquire and evidence of the origin of the funds to be invested in the purchase.

All documents must be certified at the nearest Dominican consulate and subsequently at the Ministry of Foreign Affairs of the Dominican Republic.

31 What is the typical time frame for regulatory approval for both a domestic and a foreign acquirer?

The time frame may vary depending on the workload of the authorities and the completeness of the information provided. Assuming the worst-case scenario it may take up to five to 10 months to obtain the approval of the Monetary Board. In the best-case scenario it can be from three to six months.

60 YEARS Pellerano & Herrera
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