

Press release

Intervention of Banca Privada d'Andorra (BPA)

THE INAF ASKS THE GOVERNMENT FOR A LEGAL FRAMEWORK IN ORDER TO ADOPT PRECAUTIONARY MEASURES

The Government approves a Decree allowing the provisional administrators to adopt the necessary precautionary and temporary measures to preserve the interests of clients and to safeguard the stability and the value of the institution.

The Government of Andorra, following a request from the *Institut Nacional Andorrà de Finances* (INAF), has approved a Decree which allows the provisional administrators of *Banca Privada d'Andorra* (BPA) to adopt the precautionary temporary measures that they consider to be appropriate in relation to the national and international basic functioning of the institution, taking into account the current exceptional circumstances.

The objective of this decision is to preserve the interests of clients and to protect the stability and the value of the institution, as well as to safeguard the stability and the reputation of the Andorran financial system, to encourage trust and confidence in this system and to contribute to the reduction of systemic risk.

Among other actions, the administrators will be able to set measures on quantitative limits to the free withdrawal with regard to balances, savings accounts, credit accounts and any other types of accounts, as well as the transfer, endorsement or cession of bills of exchange.

Therefore, the provisional administrators of BPA who have been appointed by the INAF have agreed to limit withdrawals related to checks, national and international transfers, payment methods, bills and cash withdrawals from ATM machines to Euro 2,500 per week and per account.

This measure adds to the special reinforcement of the internal control procedures in relation to the prevention of money laundering practices that the institution is applying in order to guarantee the correct processing of all operations.

The exceptional situation that has prompted the temporary suspension of BPA's Board of Directors and the appointment of the provisional administrators by the INAF has demanded that a series of temporary measures be implemented in order to facilitate the basic functioning of BPA and to preserve the interests of its clients.

INAF put *Banca Privada d'Andorra* into administration last Tuesday, March 10th, after the release of the statement by the United States' Financial Crimes Enforcement Network (FinCEN) that qualified BPA as "a foreign financial institution of primary money laundering concern."

Andorra la Vella, 16 March 2015