

LOMBARDI AGUILAR & GARCIA
DOING BUSINESS IN PANAMA

I. COMPANY FORMATION

- 1.1 What minimum share capital is required to be authorized, issued or paid up?
- A. SOCIEDAD ANONIMA (S.A)
- (a) Authorized? No minimum required
- (b) Issued? At least two shares subscribed
- (c) Paid up? Does not have to be paid in full. However, bearer shares must be fully paid when issued.
- B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)
- (a) Authorized ? Anywhere ranging from US\$2,000 to 5,000.
- (b) Issued ? 50% of the contributions in money, totally paid up in a maximum time span of five (5) years.
- (c) Paid up ? Same as the contributions, not less than US\$2,000.
- 1.2 What is the minimum number of shareholders required ?
- A. SOCIEDAD ANONIMA (S.A)
- Two
- B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)
- Two. If the partners are married, three. (20 maximum)
- 1.3 Are there any debt/equity restrictions?
- A. SOCIEDAD ANONIMA (S.A)
- None
- B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)
- None
- 1.4 Are there any special requirements for retributions in kind?

A. SOCIEDAD ANONIMA (S.A)

Their value must not be less than the par value of fully paid shares.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

Must be made totally, their par value indicated in the Articles of Incorporation.

1.5 Must shares have a nominal (or par) value ?

A. SOCIEDAD ANONIMA (S.A)

Shares can be of par or non par value, in bearer or registered form.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

No.

1.6 How is the company managed ?

A. SOCIEDAD ANONIMA (S.A)

By a Board of Directors, responsible to the shareholders and elected by them.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L.)

By an administrator able by law to practice commerce.

1.7 What is the minimum number of directors required?

A. SOCIEDAD ANONIMA (S.A)

Three.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L.)

Three.

1.8 Are any of the directors required to be Panamanian citizens?

A. SOCIEDAD ANONIMA (S.A)

No, except for retail commerce within Panama.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

No, except for retail commerce within Panama.

1.9 Must a person with responsibility statutory filing (a “company secretary”) be appointed ?

A. SOCIEDAD ANONIMA (S.A)

Yes, The company must also have a lawyer as Resident Agent and as liaison between the company and the government.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

Yes. An Administrator

1.10 Are there any shareholder qualification rules for directors?

A. SOCIEDAD ANONIMA (S.A)

No.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

No.

1.11 What is the procedure for registration and incorporation?

A. SOCIEDAD ANONIMA (S.A)

An incorporator must send to the Public Registry, the Articles of Incorporation or Deed of Constitution and other documents for their registration.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

Additionally, an abstract of the deed must be published.

1.12 Is re-incorporation trading permitted?

A. SOCIEDAD ANONIMA (S.A)

No.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

No.

1.13 What costs are associated with incorporation?

- a) Lawyer and notary fees related to the organization average U.S.\$700.00 depending on the circumstances. Resident Agent charges a fee no less than U.S. \$250.00. Three Panamanian Directors are provided for U.S.\$150.00 each.
- b) Annual Franchise Tax (Government Corporation Tax) of U.S.\$250.00.
- c) Capital Registration fees (minimum charge of U.S.\$60.00 and based on authorized capital).

d) Other expenses, such as opening of Books, drafting of share certificates, copying and handling charges average U.S.\$200.00

1.14 How long does formation take ?

1 to 2 weeks depending on the circumstances.

1.15 What authorities should be notified of the decision to commence business ?

All entities must notify taxation authorities through Taxpayer Registry and for filing of Advanced Tax Payments.

Entities doing business with a physical presence in Panama must notify:

- a) Ministry of Commerce for notification of complying with incorporation requirements and application for Commercial or Industrial License depending on the activity to be conducted.
- b) Social Security if employees are hired in Panama.
- c) Municipality within which the business will operate.

1.16 Are there any restrictions on distributions ?

A. SOCIEDAD ANONIMA (S.A)

Profit available for distribution is limited to the excess of realized profits over realized losses. Dividends can only be paid on the part of capital which has been paid up.

B. SOCIEDAD DE RESPONSABILIDAD LIMITADA (S. de R.L)

Participation of shareholders in profits or losses depends on what is agreed to in the company charter or the contributions made.

II. BRANCH FORMATION

2.1 What are the registration requirements for a branch of a foreign company ?

- a) Sending of notarized Articles of Incorporation to the Public Registry.
- b) Copy of the last financial statement with a statement of the capital portion used for carrying on business in Panama.
- c) Certification of being incorporated and authorized according to the laws of the country of incorporation.

All documents must be authenticated with Apostille or of attorney by a Panamanian consul in the country of origin.

2.2 How is a branch managed ?

A representative must be nominated with power of attorney, to act as such, granted by minutes registered in the Public Registry.

- 2.3 What additional permissions and notifications of the decision to commence business are required?
- a) Taxation authorities through Taxpayer Registry and filing of Advanced Tax Payment forms.
 - b) Ministry of Commerce for notification of complying with incorporation requirements and application for Commercial or Industrial License depending on the activity to be conducted.
 - c) Social Security.
 - d) Municipality within which the business will operate.

III. PARTNERSHIPS

- 3.1 What is a partnership ?
- a) A partnership is a contractual relationship based in a verbal or written contract between two or more persons or corporations with a view to profit. The rights and duties of partners and the relationship between partners is governed by requirements established by law.
 - b) Individual partners normally assume unlimited liability for debts and obligations incurred in the name of the partnership. (This differs from the shareholders of a corporation, whose liabilities are limited to the amounts subscribed by the way of share capital).
- 3.2 What kind of partnership are there ?
- a) Sociedad colectiva
The usual form of partnership is where all partners participate in the management of the partnership business and have unlimited liability (See 3.1 (b)).
 - b) Sociedad en Comandita (S. en C.)
In this form of partnership, one or more partner, but not all, have limited their liability to the capital they have contributed.
 - c) Sociedad accidental
Joint venture which existence is not normally apparent to third parties unless publicly declared.
 - d) Empresa individual de Responsabilidad Limitada (E. de R.L.)
Company owned by one individual with limited liability.

- 3.3 Are there advantages in forming a partnership rather than a company or than a

company or branch?

In principle, the corporation (SA), is more practical and has less requirements. Everything depends on the ends of the enterprise.

3.4 How is a partnership formed ?

See 1.15

IV. FINANCE

4.1 What sources of finance are there ?

- a) Banks
- b) Government-backed finance institutions.
- c) Other financial institutions such as insurance companies.
- d) Purchase and leasing of equipment.
- e) Mortgages on property.
- f) Factoring of debts or invoice discounting.
- g) Bonds and other securities sold through public or private offer.

4.2 How is finance raised from the public-at-large?

Placement or issue of shares through a stock exchange is increasing. The majority of enterprises still operate privately-held by a few shareholders.

4.3 What kinds of financing arrangements can banks provide?

- a) Overdraft- intended to finance working capital.
The borrower can operate his current account in debit balance up to an agreed limit. Overdrafts should be repaid on demand.
- b) Term loans - for periods ranging from short to long term. The repayment terms are negotiated and the rate of interest may be fixed or variable.
- c) Factoring – funds are advanced for the amount of invoices which credit is assigned at a discount.

4.4 What regional financial assistance is available from the Government?

- a) In several regions, tax incentives are available such as up to 100% tax exemption from taxes or duties on goods dedicated to manufacturing or assembly.
- b) Assistance for exporters through the Latin American Exports Bank.
- c) Agricultural Development Bank for agriculture and cattle raising.
- d) Loans to small business and industry provided by National Bank.

4.5 What other Government financial assistance is available ?

Plans to encourage development of small businesses and assistance for creating jobs. Government guarantees for private loans to small businesses.

- 4.6 Do Government and other agencies exist specifically to advise new businesses on where and how to commence operations?
- Chambers of Commerce.
 - National Private Enterprise Council (CONEP).
 - Commerce Attaches of Foreign Embassies
 - Ministry of Commerce and Industries.
 - Vice-Ministry of Foreign Commerce

- 4.7 Are there any exchange control regulations ?

No. The U.S. Dollar circulates freely and is a currency of legal tender. Banks carry out operations in all kinds of foreign currency. There are no foreign exchange controls.

V. ACCOUNTING AND REPORTING REQUIREMENTS APPLICABLE TO COMPANIES

- 5.1 What business records must be maintained by law?

Accounting records adequate enough to enable to ascertain the financial position of the corporation with reasonable accuracy in any moment: general ledger, general journal and inventory book. Records should be kept for up to 5 years after closing the business. For corporations the following are also required:

- Register of share with number of subscribed shares, payments and holders.
- Minutes of shareholders', directors' and Administrators' resolutions.

- 5.2 How often must financial statements be made ?

Once a year. The financial statements must be given to the shareholders and presented to its creditor bank within 3 months of year-end.

- 5.3 How are the contents of financial statements determined ?

Basic financial statements are prepared in accordance to principles issued by the Financial Accounting Standards Commission.

- 5.4 Do the financial statements have to be audited?

Yes, The legal auditor must be a Certified Public Accountant independent from the company.

- 5.5 Are the books and records of an organization open to scrutiny by anyone other than the directors and auditors?

Open to the Public are the financial statements presented to the Shareholders by banks and publicly-held entities regulated by the National Securities Commission. The financial statements presented to the Board of Shareholders are open to the

shareholders. Open to taxation and social security authorities are all records of the company, provided legal procedures are followed.

5.6 Must the organization's accounting year-end be on a particular date?
Yes, December 31, which may be changed by the taxpayer with authorization from the Ministry of Economy and Finance. Once established, the accounting year-end cannot be changed without permission given by taxation authorities.

5.7 Are business records required to be maintained in one language?

Records should be maintained in Spanish or (when also translated into Spanish) other languages.

5.8 Can the accounting records be kept in a foreign currency?

No, unless prepared for internal use. Usually, all foreign currencies are converted to local currency.

5.9 Can the financial statements be presented in a foreign currency?

No.

5.10 Can the accounting records be kept on computer?

Yes, as long as they are kept in a software previously approved by the Ministry of Economy and Finance.

APPLICABLE TO BRANCHES

5.11 What accounting and reporting requirements apply to branches?

Accounting records must be kept separated from that of the parent company and other branches.

5.12 Are the branch's business records open to scrutiny by anyone ?

No. Only taxation authorities can inspect foreign documents which must be authenticated by the Panamanian Consul.

VI. CORPORATE TAXATION

6.1 What taxes are there on:

a) Income ?

Corporate tax rate of 30% payable on net taxable income earned from business carried out in Panamanian territory which is based on profits adjusted for deductible items.

b) Turnover?

Goods and Services Transfer Tax (I.T.B.M.S.) is levied at a fixed rate of 5%. (Essential goods and some services are exempt from this tax).

c) Distributions?

- i) Dividends and distributions are subject to a 10% tax that is withheld by corporations.
- ii) Complementary Tax equivalent to 4% of yearly profits is levied when dividends are not paid.
This tax can be credited when withheld earnings are distributed.

d) Withholdings ?

- i) Transfers abroad are subject to rates effective for individuals and corporations.
- ii) Withholding of 8% tax on contracts with foreign performers and consultants.
- iii) Some revenues like interests, royalties, copyrights are subject to withholding of income tax.

e) Net wealth ?

There is no net wealth tax but a Commercial License Tax exists based on 2% of net assets up to a maximum of B/.40,000 for enterprises that operate locally.

6.2 What tax incentives or privileges are there ?

Exemption from income tax on net utilities reinvested and accelerated asset write-off as incentives to production.

Deduction of utilities distributed to employees. Exemption from taxes, duties or fees as incentives to agriculture, reforestation, information technology, tourist, low-cost housing projects.

6.3 What loss relief is available?

Manufacturing companies with losses during any one year can be deducted during the 3 years immediately following. Losses not offset during this period, will not be deductible in later years, and will not cause refunds by the Treasury.

6.4 What group tax consolidation is available?

No group tax consolidation is allowed.

6.5 Is there double taxation relief ?

Double taxation relief does not exist in Panama.

6.6 What employment taxes are paid by the employers ?

Social security contributions are paid by the employer and the employee depending on the amount of salary. They also include the Professional Risks Insurance, and with the Seniority System, the total may add up to 14.9%. Income tax is withheld from the salaries by the employer.

6.7 What import/export duties are there?

Goods imported from outside Panama are subject to customs duties. Some imports are exempt. Exports do not cause duties except those on precious metals, bananas, scrap iron and sugar. Refunds are possible if merchandise is destined for reexportation.

6.8 What local taxes are imposed ?

Municipalities are authorized to levy tax on most business activities through annual permits or on assessed gross sales.

6.9 What other taxes are payable ?

- a) Real property tax (rates).
- b) 2% tax on real property transfers, based on the census value of the property.
- c) Taxation of specific activities, such as insurance, banks, hotels, shipping agencies, liquor, soft drink and sugar production and ship agents.

APPLICABLE TO BRANCHES

6.10 Are there any taxes payable by branches ?

Business carried out totally outside of Panama are not subject to income or any withholding, except for taxes levied on distributions. (See 6.1 (c)).

6.11 Are there any tax incentives available for business installed in the Colon Free Zone ?

Companies installed in the Colon Free Zone basically are exempt from almost all taxes. Income derived from reexportation to other countries is taxed at a 0% income tax rate.

VII. TAXATION OF INDIVIDUALS RESIDENT IN PANAMA

7.1 How are taxes of individuals paid?

- a) An individual domiciled in Panama is taxed on his income produced inside Panamanian territory. Legally accepted deductions are available (such as office expenses, maintenance, equipment). Progressive rates from 2.5 to 34%.

b) An individual not domiciled in Panama is not taxed on his income from foreign sources, unless produced inside Panamanian territory.

7.2 Are taxes withheld?

Yes. Income tax payments are withheld by the employer from employees' wages.

7.3 What other taxes on employment does the employer pay ?

The employees' social security contributions for pension and retirement benefits and the education insurance.

7.4 What concessions exist for foreign workers ?

Up to US\$20,000 in used household goods may be imported duty-free. A foreigner is normally taxed as a Panamanian individual.

7.5 What other Taxes are payable by an individual ?

Taxes on real property and cars. Income earned from distributions are subject to a 10% tax, but is not added to the taxpayer's taxable income. (See 6.1 (c)).

VIII. EMPLOYMENT REGULATIONS AND INDUSTRIAL RELATIONS

8.1 What kind of employment legislation exists?

A Labor Code exists which regulates the relationship between employer and employee. The employment contract is not necessarily drawn up in writing although this is preferable. Employees are entitled to notice of at least 1 month. Employees dismissed without justification can resort to labor authorities. There are various special procedural rules and exceptions in numerous special cases either legal or provided by collective agreements. Disputes are settled by either conciliation or a tribunal. Race, sex or religious discrimination are prohibited.

8.2 What are the customary working hours and holidays ?

Generally between 40 and 48 hours per week. Minimum legal paid vacation is 1 month, after 11 months of continuous work. 8 holidays exist per year.

8.3 Is compensation payable for redundancy ?

Yes, the amount depends on the salary and on the employment period.

8.4 What labour organizations exist ?

Trade unions exist in most industries and main enterprises. Legally recognized collective agreements also exist.

8.5 Are working conditions controlled ?

Legislation provides a certain number of minimal protective conditions in case of accident or illness.

8.6 Are work permits required for foreign workers ?

Yes. Work permits are issued for a period of 1 year, renewable for up to 5 years.

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Formation of British Virgin Islands and Panama Corporations

by Alvaro Aguilar

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BVI COMPANIES

The British Virgin Islands ("BVI") are a British Colony located in the Caribbean. The BVI are autonomous from the United Kingdom, except with respect to their external matters, defense and internal safety. Its legal system is based on the English Common Law. English is their official language and their official currency is the U.S. dollar. There are no exchange controls nor requirements to file corporate reports of any nature, therefore the islands offer multiple tax advantages to the non-resident that organizes companies therein.

A. BVI Off-shore Companies

The legislation of the BVI provides for several types of companies, of which the Business Companies (BCs) are the off-shore companies with the greater number of advantages.

B. Advantages of the BC.

The main advantages of the BC are:

- 1) Exemption from payment of any income tax;
- 2) Can conduct most business transactions (except conducting banking and insurance activities and other businesses with residents of the BVI; or to possess real estate in BVI);
- 3) Requires a minimum of only one shareholder and one director;
- 4) The directors and shareholders can be entities or individuals resident in any country;
- 5) The shares can be issued to the bearer (when immobilized with a licensed entity) or registered;
- 6) The Board of Directors can meet in any part of the world and even by telephone;
- 7) The payment of minimum capital is not required, and the shares can be issued at par or non par value;
- 8) The names of the Directors, Officers and shareholders do not need to be registered in a public record ;
- 9) No need to file annual reports nor tax returns;
- 10) Can transfer its domicile and continue existing as a company incorporated under the laws of a jurisdiction outside of BVI; a foreign company can also become a BVI BC;
- 9) Neither the minutes book nor the shares book need to be certified by any authority of BVI;
- 10) It is not necessary to carry out Directors or shareholder meetings on a regular basis.

C. Incorporation of the BC.

The Memorandum and the Articles of Association are subscribed by BVI residents and then submitted for their registration by the Companies Registrar. The incorporation process takes approximately five days. We also have companies already organized available for immediate use by the client.

D. Administration of the BC.

1. Directors and Officers. The activities of the BC are handled by its Board of Directors, which

first members are appointed by the subscribers of the Memorandum and the Articles of Association. Thereafter, the Directors will be elected by the shareholders. The remaining Directors will be able to choose persons to fill the vacancies that occur in the Board of directors. The Directors can choose Officers and appoint attorneys-in-fact to act on behalf of the company. It is not required to register the appointment of directors, officers or attorneys-in-fact in the Registrar of Companies of BVI.

The name of the company must include the word 'Limited', 'Corporation' or 'Incorporation', or the abbreviation 'Ltd.', 'Corp.', 'Inc.' or 'S.A.'.

2. Shareholders. It is not necessary to issue shares of the company, unless the Board of directors decides so. The shares should be paid in full at the time of issuance, and they can be issued for money, services or properties received. The name of the shareholder must be registered in the shares book, which is not open to the public. The meetings of the shareholders will be conducted whenever the Directors consider it necessary or desirable or through written request of the shareholders that represent more than 50% of the votes.

The resolutions of the shareholders can be approved by telephone or in a duly convened meeting, and they can also be adopted through written consent.

3. Registered Office and Agent. The company must have a registered office and agent in BVI, services that are retained by LOMBARDI AGUILAR & GARCIA (BVI) LIMITED. An entity for immobilization of shares must also be retained for a yearly fee if the Articles of Incorporation allow for issuance of bearer shares. A copy of the shareholders book should be maintained at the registered office.

4. Seal of the Company. It is required that the company have a seal, and the Articles of Association appoint the person authorized to use the same.

5. Recordation requirements. The only documents that should be recorded at the Companies Registrar are the Memorandum or Articles of Association and their amendments, mergers, consolidations and dissolution of the company.

6. Mergers and Consolidations. It is permitted that a company be merged or consolidated with other BVI or foreign companies, provided that the consolidated or surviving companies comply with the requirements of the BC Act.

7. Dissolution and Liquidation. The BC can be dissolved by resolution of the Board of directors, if no shares have been issued. In case that the shares have been issued, the company must be dissolved through a shareholders resolution.

E. Taxation and Laws.

All the dividends, interest, rents, royalties, compensations and other amounts paid by company established under the BC Act to persons that are non-residents of BVI are exempt from payment of income tax. The capital gains earned from the sale of whatever shares or other securities of an BC are also exempt from payment of any tax. The incorporation duties of a company with an authorized par value capital of up to US \$50,000.00 are of US \$350.00. The incorporation duties are of US \$1,100.00 for a company with an authorized par value capital above US \$50,000.00. An additional yearly duty of at least US\$1,100 is applicable to BCs with Articles of Incorporation that allow issuance bearer shares.

A company that is incorporated by December 31st of any year will have to pay the Registrar an annual license duty before July 31st of the following year. For example, a company organized in March of 1996 must pay the annual license duty by July 31, 1997. The license duty is of US \$350.00 if the authorized capital of the company is below US \$50,000.00 and US \$1,000.00 if its authorized capital is above US \$50,000.00.

BC laws are subject to occasional amendments and regulations, so we advise contacting us in advance in order to determine if any changes have ensued after the date of this document.

PANAMA CORPORATIONS

The Republic of Panama has always played an important role in international trade due to the favorable laws that have been enacted in order to make it a location attractive for investors of all parts of the world. The U.S. dollar is the official currency of the country and is used in all financial transactions, without applicable exchange restrictions nor requirements to file corporate reports of any kind. Furthermore, the income earned from sources outside of the country is exempt from taxes.

A. Off-shore Companies in the Republic of Panama.

The incorporation and operation of off-shore corporations is governed by Law 32 of 1927, which has been maintained without changes from its enactment. Currently there are more than 200,000 Panamanian corporations, which constitutes the best evidence of the advantages that these corporations offer.

B. Basic features of a Panamanian corporation.

1. Neither the subscribers of the Articles of Incorporation, nor the shareholders, nor the Directors must be Panamanians or resident in Panama. There must be at least three individuals *or entities* acting as Directors.
2. There are no legal requirements with respect to a minimum paid-in capital. According to the law, it is not necessary to report payment of the subscribed capital.
3. Corporate income is not subject to taxes in Panama as long as the corporation does not do businesses in Panama. The only tax that the corporation must pay (aside from an annual duty of US \$250.00) is the recordation duty of at least US\$60.00 payable at the time of the incorporation, which increases according to the amount of the authorized capital.
4. No additional formalities are required, except to record at the Mercantile Registry of Panama the subsequent amendments to the Articles of Incorporation and the elections of the Officers and Directors.
5. A Registered Agent must be maintained in Panama, service that the law firm, LOMBARDI AGUILAR & GARCIA provides.
6. The corporation is formed in approximately two (2) days as of the date in which payment for its formation is received. Corporations are also available in reserve for immediate use.
Corporate names may be reserved previous to incorporation for up to 30 days.
7. The corporation can grant a General Power of Attorney to one or several persons of any nationality to act at their discretion on behalf of the corporation. *It does not need recording to become valid.*
8. The shareholders, directors and officers can be of any nationality, resident in any country, unless the corporation conducts retailing activities in Panama.
9. The corporation is governed by:
 - i) Shareholders: The meetings of the shareholders can be conducted outside of Panama, if the Articles of Incorporation provide so. The shareholders can be represented through a proxy.
 - ii) Board of directors: At least three (3) Directors should be appointed, unless the Articles of Incorporation provide otherwise. The meetings of the Directors can be conducted outside of Panama, and they can be held by representation through a proxy holder that needs not be a Director. The Board of Directors is elected by the shareholders, but the vacancies, either resulting

from an increase in the authorized number of Directors or any other reason, can be filled by a majority vote of the remaining Directors.

iii) Officers: The corporation must have at least a President, a Secretary and a Treasurer, who will be chosen by the Board of directors. Any person or entity can hold two or more posts if the Articles of Incorporation or the Bylaws provide so.

10. It is not an obligation to carry out shareholder or Directors meetings annually nor during any other interval.

11. *Shareholder or director meetings may be held with parties being in communication by telephone, fax, or other electronic means. Resolutions adopted may be signed in different places and dates.*

12. *For information purposes, financial statements may be recorded in the Public Registry at the option of the corporation.*

13. The corporation is not required to maintain a seal but it can be used, if it chooses to do so.

14. A Panamanian corporation can be merged with another Panamanian or foreign corporation. The surviving corporation can be, either the foreign corporation or the Panamanian corporation.

15. *Foreign corporations may redomiciliate to Panama by recording their corporate documents in the Panama Public Registry.*

16. *Panama corporation can redomiciliate to another jurisdiction as long as it has no outstanding annual franchise duties.*

17. A Panamanian corporation can be dissolved by vote of the majority of outstanding shares with voting rights in a duly convened meeting, or through written consent of the holders of all the outstanding shares of the corporation with voting rights, without need of a meeting.

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