

TRANSLATION

LAW 22 (dated 27 April 2015)

That amends an article of the Commercial Code

THE NATIONAL ASSEMBLY

DECREES:

Article 1. The last paragraph is amended and three paragraphs are added to Article 71 of the Commercial Code, as follows:

Article 71. ...

At the same time, legal entities must keep records of minutes and shares. To this end, they may use books, electronic records and other means as described above.

The competent authority that confirms during the exercise of its duties that a legal entity has not complied with the obligation to keep records of its minutes or share registries, will inform the Ministry of Economy and Finance in order to impose a penalty on that legal entity that will be calculated at up to one hundred balboas (B/.100.00) per day from the date the infraction is detected until the noncompliance is corrected. Should the legal entity show a manifest unwillingness to comply with this obligation, the Public Registry of Panama will be notified to make a marginal notation in the legal entity's record stating that it is not complying with the provisions of this Code.

The marginal notation will not prevent the legal entity registering its corporate documents in the Pubic Register or issuing certifications related to the noncomplying legal entity. However, while the marginal notation exists, the legal entity may not be dissolved and any certification issued by the Public Registry will indicate that the legal entity still has pending obligations with the competent authority due to its failure to comply with the Code.

The removal of the marginal notation referred to in the previous paragraph will occur when the competent authority notifies the Public Registry that the legal

TRANSLATION

No. 27768-A

Official Gazette Online, Monday, April 27, 2015

2

entity has remedied the situation that resulted in the marginal notation. This will cause the Public Registry to remove the marginal notation.

Article 2. This Law amends the last paragraph and adds three paragraphs to Article 71 of the Commercial Code.

Article 3. This Law shall take effect the day after its promulgation.

FOR COMMUNICATION AND ENFORCEMENT.

Bill 182 of 2015 approved at the third reading in Palacio Justo Arosemena, Panama City, on the twenty-fourth (24th) day of April, two thousand fifteen (2015).

The President,

[Signed]

Adolfo T. Valderrama R.

The Secretary General,

[Signed]

Franz O. Wever Z.

TRANSLATION

No. 27768-A

Official Gazette Online, Monday, April 27, 2015

3

NATIONAL EXECUTIVE BRANCH. PRESIDENCY OF THE REPUBLIC
PANAMA, REPUBLIC OF PANAMA, 27 APRIL 2015

[Signed]

JUAN CARLOS VARELA
President of the Republic

[Signed]

ALVARO ALEMAN H.
Minister of the Presidency