

**Republic of Panama**  
**Superintendency of Banks of Panama**

**TRUST RULE No. 1-2024**  
(19<sup>th</sup> March 2024)

**“Exception to Prior Authorization by the Superintendent for Formalization with the Public Notary and Filing with the Public Registry of Special Powers of Attorney Granted by Trustees”**

**THE BOARD OF DIRECTORS**  
in the exercise of its legal powers and,

**WHEREAS:**

Under the provisions of Article 4 of the Banking Law, the Superintendency of Banks has the exclusive authority to regulate and supervise banks, banking business, and other entities and activities assigned to it by other laws,

Under Law 1, dated 5<sup>th</sup> January 1984, the trust business in Panama is regulated. This law was amended by Law 21, dated 10<sup>th</sup> May 2017, establishing rules for the regulation and supervision of trustees and the trust business,

Under Article 1 of Law 21 of 2017, the Superintendency of Banks will have exclusive authority to regulate and supervise trustees holding a trust license or trustees authorized by law to engage in the trust business according to the provisions of the law and its regulations, as well as oversee the trust business,

Under Article 1 of Law 21 of 2017, the Superintendency of Banks is authorized to develop supervisory and regulatory standards for the Trust System,

Under Article 5(1) of Law 21 of 2017, the duties of the Board of Directors include establishing the administrative interpretation and scope of the legal provisions and regulations concerning trust matters,

Under Article 21 of Law 21 of 2017, only those trustees granted a trust license issued by the Superintendency of Banks and those authorized by law to engage in the trust business may use the terms “trust fund,” “trustee,” or their derivatives in any language or form that may suggest or imply engagement in or dedication to the trust business in or from the Republic of Panama,

Under Article 23 of Law 21 of 2017, Public Notaries are prohibited from authorizing any deeds or copies thereof, as well as documents, instruments, or sworn statements specific to their office, or authenticating signatures that contravene the provisions of this Article,

Under Article 23 of Law 21 of 2017, a similar prohibition applies to the Director General of the Public Registry regarding the filing of such documents. The Director General of the Public Registry is required to report to the Superintendency any filings that may contravene the provisions of this Article,

In connection with the foregoing, it is customary in trust matters for notaries and the Public Registry of Panama to formalize and file powers of attorney or special powers of attorney, respectively, granted by trustees before obtaining authorization from the Superintendency of Banks,

To streamline and optimize the services provided to trustees, it is deemed convenient to make an exception to the current procedure regarding the assessment and authorization for formalizing with the Public Notary and subsequently filing with the Public Registry the powers of attorney issued by trustees. This exception ensures that only powers of attorney are subject to authorization by the Superintendency of Banks. This decision is based on good corporate governance practices, which enable the Superintendency to have prior knowledge of the individuals appointed as attorneys-in-fact. Considering that these attorneys will have broad

powers in the management and decision-making of the trustee, in accordance with the provisions of Article 13 of Law 21, dated 19<sup>th</sup> May 2017 (sic),

During its working sessions and after relevant analysis, the Board of Directors determined that it was necessary and advisable to make an exception to the prohibition established in Article 23 of Law 21 of 2017. Consequently, the Board permits the formalization with the Public Notary and subsequent filing with the Public Registry of the granting, revocation, or substitution of powers of attorney issued by trustees without prior authorization by the Superintendency of Banks, exercising subsequent control in this matter.

RESOLVES:

**ARTICLE 1. SPECIAL POWERS OF ATTORNEY.** In the case of documents related to the granting, revocation, or substitution of special powers of attorney granted by trustees, prior authorization by the Superintendent is exempted for the formalization of such special powers of attorney with a Notary Public and their subsequent filing with the Public Registry of Panama.

**ARTICLE 2. POWERS OF ATTORNEY.** The provision outlined in Article 1 herein is not applicable to documents related to the granting, revocation, or substitution of powers of attorney granted by trustees. These powers of attorney will continue to be subject to prior authorization by the Superintendent of Banks for the corresponding notarial and registry purposes, in accordance with the provisions of Article 23 of Law 21 of 2017.

**ARTICLE 3. OBLIGATION TO SUBMIT A COPY OF THE PUBLIC DEED IN THE CASE OF SPECIAL POWERS OF ATTORNEY.** For cases of granting or substituting special powers of attorney, the obligation to send a copy of the public deed to the Superintendency will remain in force once it has been duly filed with the Public Registry. This submission should be made to the email address [superbancos@superbancos.gob.pa](mailto:superbancos@superbancos.gob.pa) to conduct the corresponding subsequent verifications.

**ARTICLE 4. EFFECTIVE DATE.** This Rule shall take effect upon its enactment.

Given in Panama City this nineteenth (19<sup>th</sup>) day of March, twenty twenty-four (2024).

FOR COMMUNICATION, PUBLICATION, AND ENFORCEMENT.

**THE CHAIRPERSON,**  
*Digitally signed by [S]*  
NAME DAVARRO PALACIOS,  
DAVID ALBERTO – ID 4-235-963  
*Date: 2024.04.11 16:49:47 -05'00'*  
**David Alberto Davarro**

**THE SECRETARY,**  
*Digitally signed by [S]*  
NAME CARLES ROJAS,  
ADRIANA RAQUEL – ID 8-744-2267  
*Date: 2024.04.12 10:15:49 -05'00'*  
**Adriana Raquel Carles**