

# Services Permitted to Fiduciary Companies in Panama





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Following the enactment of Law 21 of 10 March 2017, which amended Law 1 of 1984 on the fiduciary business, the corporate purpose of companies engaged in trust business in Panama was restricted to the activities enumerated in Article 20 of that Law, as follows:

Article 20. Authorised Activities. Trustees holding a fiduciary licence, or those authorised by Law, may...



# Services Provided by Fiduciary Companies in Panama



Constitute and administer trusts in accordance with the provisions of this Law.

01



Manage bank accounts and escrow accounts.

02



Provide financial advisory services.

03



Act as representatives with voting rights at shareholders' or partners' meetings, and act as representatives of bondholders and holders of other securities.

04



Participate in or intermediate the formation and/or administration of corporate, fiduciary, and foundation structures.

05



Act as custodians of shares, documents, and securities.

06

Any other activity ancillary to the fiduciary business as authorised by the Superintendent, either on a general or individual basis.

The 2017 amendment introduced for the first time a statutory reference to escrow accounts, which are widely used in transactions of relatively short duration for the execution of payments.

Less well known are the following functions:



Act as representatives with voting rights at shareholders' or partners' meetings, and act as representatives of bondholders and holders of other securities.



Participate in or intermediate the formation and/or administration of corporate, fiduciary, and foundation structures.



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