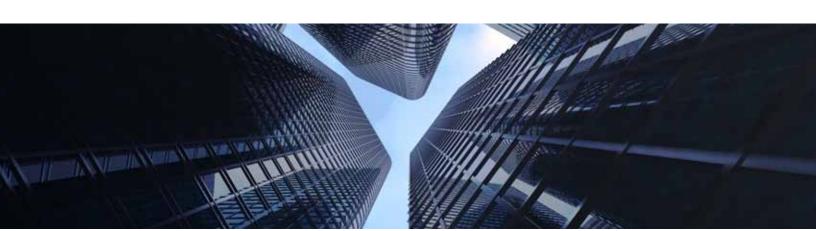


Executive Decree No. 238 of June 10, 2019

REQUIREMENTS TO APPLY FOR PERMANENT RESIDENCY F
OR EXECUTIVES OF MULTINATIONAL HEADQUARTERS OFFICES ("SEM" for its acronym in Spanish).



As of June 11th, 2019, the requirements to apply for the Permanent Resident Permit for Executives of SEM companies who i) continue working at a SEM company, and ii) no longer work for a SEM company.

Comments:

- This Residence Permit will be applicable to those foreigners that are working or that had worked for a SEM company for a minimum of 5 years. This five (5) year period can be counted continuously or in intervals.
- Permanent Residence Permit for personnel currently working for a SEM company:
 - o This category was established by means of Law No. 57 of 2018, that modifies the Law 41 of 2007 (SEM Law). o Among the requirements for this category, are the following:
 - Proof of affiliation to the Social Security Authority.
 - Demonstrate to have worked in one or several SEM companies, for a minimum of five (5) years with:
 - A letter from the SEM company where the applicant currently works, stating the job title, salary, description of duties and time worked;
 - •In case the applicant previously worked for several SEM companies, the 5 -year minimum term will be proved by filing one of the following requirements:
 - Letters from the SEM companies where the applicant has previously worked, stating job title, salary, description of duties and time worked;
 - Copy of the ID Cards or Resolutions that granted the SEM Permanent Resident Permit, or;
 - Sworn Declaration before Public Notary indicating the information of the applicant, job title, salary, description of duties and time worked.
 - Bank Certification Letter issued by a bank with license to operate in Panama, that reflects the appli cant has at least four medium figures. In case of dependents, the amount must increase US\$ 1,000.00 for each dependent.
 - By means of Law 57 of 2018, the foreigner who obtains this Permanent Residence:
 - Will be subject of payment of income tax, social security and educational tax, as they apply for the earned salary and labor remunerations, and;
 - Will no require additional authorization to work in any SEM company.

• Permanent Resident Permit for Personnel who has stopped working at a SEM company:

- o This category previously existed and was established by means of Law 45 of 2012, and regulated by Executive Decree No. 822 of 2013.
- o Among the requirements for this category are:
 - To prove that the applicant worked for a minimum of five (5) years at a SEM company or companies, with the following:
 - Letter from the SEM company where the applicant worked, detailing job title, salary, description of duties and time worked;
 - In case the applicant previously worked for several SEM companies, the 5 -year minimum term will be proved by filing one of the following requirements:
 - stating job title, salary, description of duties and time worked;Copy of the ID Cards or Resolutions that granted the SEM Permanent

Letters from the SEM companies where the applicant has previously worked,

- Copy of the ID Cards or Resolutions that granted the SEM Permanent Resident Permit,
- Sworn Declaration before Public Notary indicating the information of the applicant, job title, salary, description of duties and time worked
- To prove that the applicant has done a minimum investment of US\$ 150,000.00 in Panama, through one of the following:
 Time Deposit Bank account with a minimum duration of 3 years;
 - Real estate property under the name of the applicant, free of liens or;
 - Real estate property under the name of the applicant, free of ilens of:

 A combination of a time deposit bank account with a minimum duration.
 - A combination of a time deposit bank account with a minimum duration of 3 years and a real estate property, under the name of the applicant, free of liens.

Dependents: Dependents:

applicant is already approved.

- Dependents of the Permanent Personnel of SEM Companies can be included, if they prove they have at least 2 years of holding its residence permit as dependents. Previously the law established that, only the dependents with 5 years of having their residence permit, could apply for this category.
- dependents with 5 years of having their residence permit, could apply for this category.

 In case of dependents that do not comply with the 2-year minimum term of holding their Residence Permit as Dependents, they will be able to apply to the Residence Permit as dependents of Permanent Residents,

established through the Executive Decree 320 of 2008, only if the Permanent Residency of the main