

Law 284 of 2022

(If something in this translation does not make sense refer to the spanish version for clarity)

**Regarding the Horizontal Property Regime
and that subrogates Law 31 of 2010**

THE NATIONAL ASSEMBLY

DECREES:

Title I

General Provisions

Article 1. The Horizontal Property Regime is created as a special type of property, with functional independence, where private goods coexist with common goods, with appropriate access to public roads.

Article 2. The Horizontal Property Regime has as guiding principles to ensure the maintenance, health, security and conservation of private property and common property that coexist within the horizontal property, promoting the welfare of all its owners.

The guiding principles are among others:

1. *Peaceful coexistence and social solidarity.* Horizontal property must promote in its regulations the establishment of peaceful relations between owners and/or residents, based on cooperation and social solidarity.
2. *Right to due process.* The actions of the Assembly of Owners, the Board of Directors and the administrator, regarding the imposition of sanctions for breach of obligations, must comply with the principles of due process, the right to defense, contradiction and challenge.
3. *Right to petition.* Right to request, respectfully and in writing, from the Board of Directors and/or administrator, any information or document, such as minutes of the Owners' Assembly, minutes of the Board of Directors, reports, account statements, work projects within the property horizontal, quotes, hiring, among others, provided that these deal with the exercise of their rights over horizontal property.
 4. *Principle of Confidentiality.* Every duly registered owner of a real estate unit, or whoever has assigned the use or usufruct of his real estate unit, has the right that personal issues that must be dealt with by the administrator or the Board of Directors, which do not affect the operation horizontal property or other owners, are treated with due confidentiality and reserve.
5. *Respect for decisions.* The decisions adopted in the Owners' Assembly, with the due call, *quorum* and corresponding vote, as provided in this Law, will be binding and mandatory for the owners present and absent at the meeting.

6. *Respect for human dignity.* Respect for human dignity must govern the actions between the owners, the members of the Board of Directors and the administrator, as well as for the exercise of the rights and obligations derived from the law, its regulations and the co-ownership regulations.
7. *Sustainability and social function.* Any regulation that governs horizontal property must respect its social and ecological function and, therefore, must comply with the provisions of current urban regulations.

Its functionality must respect public spaces, tend to a healthy and pollution-free environment, and establish green areas.

Article 3. The following may belong to the Horizontal Property Regime, subject to this Law:

1. The various real estate units when they are independent and have access to public roads directly or through a common passage.
2. The different real estate units on common land.
3. Buildings or projects built on land owned by one or more persons who authorize the use of the land to be incorporated into the Horizontal Property Regime.
4. The subdivisions, subdivisions and urbanizations with served lots, whose improvements are built later.
5. The constructions of buildings intended for parking lots, warehouses, cemeteries or any commercial activity, provided that by their nature the common property of the private individuals can be identified.
6. The projects or developments, whether they are buildings, subdivisions, subdivisions, urbanizations and other types of real estate unit built on land or farm already incorporated into the Horizontal Property Regime.
7. Any other type of real estate unit, complex, buildings or urbanizations, subdivisions or subdivisions, provided that they are capable of independent use and that they present the characteristics of the Regime.

In the case of numerals 3 and 7, the Ministry of Housing and Territorial Planning, together with the competent authorities linked to this issue, will establish the regulatory framework, the procedure, the form and the terms in which the incorporation into the Regime will be effective. .

Article 4. The real estate units referred to in the previous article may be alienated, encumbered or be subject to all kinds of legal acts inter vivos or due to death. The Co-ownership Regulations may not establish provisions that limit such rights.

Article 5. When real estate is incorporated into the Horizontal Property Regime and is mortgaged, the consent of the mortgagee will be required. If it is a building built on another's real estate, the owner's consent will be required and the conditions between the owner of the real estate and the improvements will be established due to the incorporation into said Regime. These requirements must form an integral part of the public deed in which the constitution of the Horizontal Property Regime was protocolized.

Article 6. For the purposes of this Law, the following terms shall be understood as follows:

1. *Mortgage creditor or trustee.* One who has guaranteed his credit with the real right, constituted in his favor on an irrevocable property of the debtor.
2. *Administration.* Joint work between the administrator and the Board of Directors, which consists of planning, managing, coordinating, controlling and directing the various resources that a horizontal property has, in order to comply with the mandate of the law, the Assembly of Owners and the regulations.
3. *Manager of the horizontal property.* Natural or legal person who, under the supervision and coordination of the Board of Directors, manages the common assets incorporated into the Horizontal Property Regime.
4. *Assembly of Owners of the horizontal property.* Highest government body within the Horizontal Property Regime and will be made up of the owners. It acquires its legal personality once the constitutive title is registered in the Public Registry.
5. *Roof top.* good common , which is a final flat cover, capable of supporting live loads.
6. *Associated goods.* Area or space dependent on a housing unit, identified and described in the Co-ownership Regulations, which is not physically linked to it and which is complementary or accessory to this unit, forming together with it a single housing unit, such as warehouses, parking lots and other similar. The adjoining assets may not form separate estates from the real estate units, since they are assets that follow the fate of the principal.
7. *Common goods.* All movable and irrevocable assets that are not private, subject to the Horizontal Property Regime, belonging jointly to all the owners of private assets in accordance with their participation coefficient assigned in the Co-ownership Regulations that, due to their nature or destination, allow or facilitate its existence, stability, operation, conservation, security, use and enjoyment.

Common assets may not be subject to a mortgage, encumbrance or precautionary measure due to their nature, except for non-compliance with acquired obligations or due to a right recognized by a court ruling.
8. *Common property for exclusive use.* Those who are in the Co-ownership Regulations or the Owners' Assembly agree to its exclusive use in favor of one or more real estate units.
9. *Private goods.* Those that, according to the registration made in the Public Registry and the description of the Co-ownership Regulations, belong to a certain natural or legal person, individually or collectively.
10. *Sumptuous goods.* Any innovation such as amenities, games, court and additional parking, that are not part of the original construction project and that are added to the uninhabitable subject to the Horizontal Property Regime, with the sole purpose of adding greater comfort or convenience, entertainment, greater excellence, ostentation or exquisiteness to the owners, and not necessary for the development of the usual activities within the horizontal property.
11. *Biosafety.* Set of rules, measures and protocols that may be applied to owners and/or third parties with the aim of contributing to the prevention of

infections derived from exposure to agents potentially infectious or with significant loads of biological, chemical and/or physical risk.

12. *Participation coefficient.* Percentage that every owner of the real estate unit has over the common property and that generates rights and obligations, which is proportional to the value of his real estate unit set in terms of percentages between the total value of the land and the declared improvements, taking into consideration the initial projection of the project.
13. *Support Camile.* Owner or owners designated by the Board of Directors, who reports and responds directly to it, in order to collaborate in a defined task within the horizontal property. The Board of Directors will establish the functions and validity of this Committee.
14. *Horizontal Property Management Support Camile.* Group made up of the representatives of each horizontal property that share indivisible common areas between several properties and whose purpose is to collaborate in the maintenance and conservation of the areas they share. It will be made up of an owner designated by each Board of Directors of the horizontal properties that comprise it.
15. *Camile from Component.* Group of owners of the same component to simplify the administration, conservation, maintenance, operation and security of the assets and areas that are common.
16. *Transition Committee.* Group made up of the first owners of a property who will collaborate and participate in making decisions regarding the administration, conservation, maintenance and security of the property, during the term of the Board of Directors appointed by the promoter when incorporating the property to the Regime of Horizontal property.
17. *Components.* Activities or uses that are part of the same horizontal property, whose operation differs from one another.
18. *Real estate complex.* Real estate development is made up of a group of real estate units designed or built on one or more farms that share areas and services of general or common use and utility, such as internal roads, parking lots, green areas, enclosing walls and gates. It may also be made up of several real estate units, such as functionally independent buildings, lots, businesses or industries, with independent co-ownership regulations that, in turn, maintain indivisible co-ownership of real estate elements, roads, facilities or services with other real estate units constituted under the Regime. of Horizontal Property. In such a case, the owners are responsible for the upkeep, maintenance and administration of all areas, including access roads, storm sewers and sewage, among others.

It is understood that the design and type of material used must comply with the specifications and technical standards established for these purposes by the institutions in charge of reviewing and approving plans. Likewise, developers who

develop urbanizations or subdivisions must adhere to the procedures that regulate this matter in the preliminary project and construction stage.

All subdivision, subdivision or urbanization projects whose surface exceeds 10 hectares will require the prior approval of the territorial planning scheme by the Territorial Planning Directorate of the Ministry of Housing and Territorial Planning.

19. *Shares of common expenses.* Sum of money that corresponds to pay each owner for each real estate unit registered in his name in the Public Registry, in order to cover the expenses of administration, conservation, repair, insurance, maintenance and operation, as well as the Contingency Fund, as established by this Law, its regulations, the Co-ownership Regulations or as provided by the Owners' Assembly.

In addition, it includes ordinary and extraordinary fees, fines and any other duly established in the Co-ownership Regulations or those approved by the Owners' Assembly, as well as any other economic obligation with the horizontal property that is duly supported.

Shares of common expenses must be fixed in the Co-ownership Regulations as follows:

- a. For the horizontal property of buildings, in attention to the footage of the units. b. In the cases of horizontal property of urbanizations, by real estate unit.

Shares of common expenses may not be subject to liens or precautionary measures due to their nature, except for non-compliance with acquired obligations or by right recognized by court ruling. In this case, only the Contingency Fund and/or up to 20% of the total amount collected monthly by the horizontal property may be covered up to the liquid amount decreed by the court.

20. *Extraordinary disbursement.* Expenditure not foreseen in the budget, which can be approved by the Board of Directors, to be disbursed from the surplus or reserves of the property, in those cases where an unforeseeable situation arises, whose attention is necessary and essential, with a character of notorious urgency that does not allow to observe the term that this Law establishes for a call of ordinary or extraordinary Assembly for its approval, which excludes periodic, superfluous expenses, of situations that do not present risks or sanctions for the property.
21. *Building.* Any construction intended to serve as a space for the development of a human activity.
22. *Parking.* Space within the horizontal property, which can be used for private, common or common exclusive use.
23. *Facade.* Any external part or area of the real estate units.
24. *Contingency Fund.* Mandatory sum collected on an annual basis intended to meet and finance the obligations, works or expenses that arise unexpectedly within the horizontal property, made up of at least 1 % of the total annual income and the common expenses quotas of the horizontal property owners.

25. *Property.* Structure built on one or more farms in accordance with the plans and specifications approved by the competent government authorities.
26. *Lotification.* Division of a globe or parcel of land that responds to a common pattern in dimension and area.
27. *Delinquency* Non-compliance in the payment of the common expense quotas in the place established in the Co-ownership Regulations; If this place is not defined, the last day of the month will be considered as the payment deadline.
28. *Parceling.* Division of a land of at least one hectare and that does not present a repetitive pattern in terms of area and dimension in one or several lots.
29. *Peace and safe.* Document that certifies that a real estate unit is up to date in the payment of the common expenses of the horizontal property.
30. *Pent-house.* Larger real estate unit located, generally, in the last levels of a building.
31. *Floors.* Horizontal divisions of buildings.
32. *Voting power.* Personal or delegated participation of each owner in decision-making within the meeting of the Owners' Assembly.
33. *Pro-indivision.* Undivided property that exists between several people.
34. *Promoter.* Natural or legal person who owns or promotes the construction of a horizontal property.
35. *Derivative horizontal property.* It is the one arising from the incorporation to the regime of real estate units constituted on a farm already incorporated into the Horizontal Property Regime.
36. *property horizontal Original* Horizontal property arising from the incorporation of buildings, subdivisions, subdivisions, urbanizations or any other asset that can be incorporated into the Regime, whose real estate units will be independent horizontal properties.
37. *Tourist horizontal property.* Property regime constituted on the real estate units for commercial tourist use, duly registered with the Horizontal Property Regime and the Tourism Registry as the governing authority, through which the owner of the real estate units, through a contract, allocates the property to public accommodation tourism in any of its modalities.
38. *Owner.* Natural or legal person who has the right to enjoy and dispose of their real estate unit duly registered in their name in the Public Registry of Panama.
39. *Owner to date.* One who, having one or more real estate units in the same property registered in the Public Registry in his name, has paid the fees for common expenses of one or more of his real estate units in the current month. The owner may only exercise the vote for the real estate units that are up to date in the payment of the fees for common expenses.
40. *Initial Owner.* Natural or legal person in whose name all the real estate units that make up the horizontal property are initially registered in the Public Registry of Panama, under the constitutive title.

41. *Project of social interest.* The one that the Ministry of Housing and Territorial Planning certifies as such.
42. *Quorum.* Minimum number of owners whose attendance in person or by means of technology is considered necessary to be able to validly deliberate and make decisions at a meeting of the Owners' Assembly or the Board of Directors in accordance with this Law.
43. *Surcharge.* Penalty for late monthly payment of the common expenses fee that can amount to up to 20 % of each unpaid common expenses fee.
44. *Co-ownership Regulations.* Set of rules, rights and duties duly registered in the Public Registry, applicable to the owners of the real estate units that are subject to the Horizontal Property Regime.
45. *Regulation of Use.* Document or set of rules whose purpose is to ensure the best use, enjoyment and maintenance common property of the horizontal property, which will be mandatory, provided that it is not contrary to the law.
46. *Reserve.* Right declared by the promoter in his favor in the Co-ownership Regulation on the free rest of land and non-essential common property elements to dispose of them freely, provided that they do not affect the functionality and safety of the project and the rights of the owners. This right will not exceed the maximum validity period of ten years.

In cases where there are precautionary measures on the free rest of the land described in the previous paragraph by means of which legal status is granted to the Assembly of Owners, the Public Registry must register on said property, only the minutes of the Assembly of Owners and of the Board of Directors, whose decisions are not related to the free rest subject to a precautionary measure.
47. *Construction reserve.* Right on the use of certain common areas or subdivisions established in favor of the promoter to continue with future stages of horizontal property.
48. *Reservation on common property.* Right on the use of certain common assets, established in favor of the promoter, such as roof terraces, basements, facades, easements, parking lots and others, except roof terraces in residential projects. This right will not exceed the maximum validity period of ten years,
49. *Meeting of the Owners' Assembly.* It is the ordinary or extraordinary meeting of the owners of the property subject to the Horizontal Property Regime, convened for a specific purpose.
50. *Second call.* Meeting of the Ordinary or Extraordinary Assembly of Owners due to lack of *quorum* in its first call, which must be convened immediately and held within ten calendar days after the first call, maintaining the same agenda, schedule, form and place.
51. *Timeshare.* Modality through which the owner or owners of a property intended for public tourist accommodation or residential use submits it to a contractual regime, through which they acquire rights of use over the property, by different people, in different periods of time.) year.

52. *Constitutive title.* Public deed registered in the Public Registry, through which a certain farm is incorporated into the Horizontal Property Regime.
53. *Real estate unit.* Functional and independent sections or parts into which a project or building subject to the Horizontal Property Regime is divided and that grant the right to vote within the meeting of the Owners' Assembly.
54. *Urbanization.* Set of works for the layout and conditioning of a globe of land, through the provision of communication routes, public services, social equipment, areas for public and private use and served lots suitable for building on them.
55. *Uses.* Those that are indicated in the Co-ownership Regulation and are allowed in the property subject to the Horizontal Property Regime. They must be consistent with the land use standard of the farm or farms on which the horizontal property is constituted. In the event that the Co-ownership Regulation allows multi-use, it must be defined in the incorporation, leaving the independence of each use clearly established. The residential use by itself excludes that the real estate unit is used for a use other than the habitual residence of people.
56. *Voting.* Act that is used for decision making of the proposals that are presented to the Owners Assembly or the Board of Directors and that is manifested by any means that allows its verification.

Title II

Community of Goods

Article 7. In the case of a building or real estate units built on a farm that belongs to several owners, provided that the characteristics allow it in the opinion of the Ministry of Housing and Territorial Planning and that its division is feasible between the owners, any of these may request their division through the award of common units to benefit from the Horizontal Property Regime. The owners will have the alternative of the arbitration process.

If the owners do not agree on the division, anyone may appeal through the judicial process so that the division is resolved through a summary process and the corresponding adjudication is achieved in accordance with the Horizontal Property Regime provided for in this Law. In these businesses, the plaintiff and the defendant may designate two separate experts or professional evaluators.

In the case of plural parties, the appointment of the expert or professional evaluator will be made by agreement between the interested parties, but if this is not the case, the appointment will be made by the circuit judge, who, if deemed necessary, may request the Ministry of Housing and Territorial Planning the Appointment of an expert or professional evaluator on your behalf.

Article 8. In the cases of the previous article, the judge will grant the experts a term of one month, extendable for an additional month, in order to present a project for the division of the property and another project on the Co-ownership Regulation previously approved. by the Ministry of

Housing and Territorial Planning. To make this division, the experts will evaluate each real estate unit.

Once the report of the experts has been rendered, the parties will have a term of ten days, counted from the delivery of the report to the interested parties, to make objections. Hearing the concept of the experts and the objections of the parties, and adduced and practiced the evidence by the parties in a timely manner, the judge will make the awards between the different owners.

The corresponding resolution, which will contain the award and the Co-ownership Regulation, once executed, must be protocolized and registered in the Public Registry.

Once the awards have been made, the successful bidders must collect or receive the difference of the assigned values, so that each one receives what corresponds to their portion,

The expenses incurred as a result of this division will be paid by all the owners in the proportion that corresponds to them, in accordance with the procedure provided for in article 22, but any of the interested parties may incur the expenses and then demand payment from the appropriate party.

Article 9. For the purposes of articles 7 and 8, when the real estate unit has a lien, the approval of the creditor will be required to carry out the division.

Title III Real Estate Values

Article 10. The value of each real estate unit will be set by any of the following procedures:

1. By decision of the promoter, which is subject to the cadastral value of the farm or farms and the declared improvements.
2. Once the horizontal property has been established by agreement of 66 % of all the real estate units that comprise it, duly represented by the owner or person delegated at the meeting of the Owners' Assembly.
3. By judicial or arbitration decision .
4. By cadastral appraisal when it has not been fixed by any of the previous methods.

In the cases of numerals 1, 2 and 3, the value will be subject to compliance with current cadastral regulations.

In cases where one or more *penthouses are projected*, the value of each of them may not be less per square meter than that of the other real estate units of the respective building.

Article 11. The appraisals ordered by the tax and valuation laws must be made separately for each of the real estate units that exist in the property referred to in this Law and will include the proportional part of the common assets.

Title IV

Real Estate Units and Attached Assets

Article 12. Each owner may only sell the attached assets of their real estate unit to another owner of the same horizontal property, through public deed duly registered in the Public Registry, which are not necessary for its operation, use and enjoyment. These annexed assets may not be changed from the use for which they were intended. Such sales and transfers may be made without the approval of the other owners and without requiring the approval of the Ministry of Housing and Territorial Planning.

In case of transfer of car parking spaces that in the Co-ownership Regulations have been assigned as private or annexed property, it will only be possible if the real estate unit that transfers the space does not have less than the number of parking spaces established by the regulations of territorial ordering of the Ministry of Housing and Territorial Ordering. For this purpose, the interested party must provide a certification issued by the ministry in which it is verified that it complies with the current norm.

Article 13. The real estate units may be modified to form others, to reduce or increase their area, provided that the following requirements are met:

1. That the modification does not affect the stability, conservation and operation of the horizontal property.
2. That the modification complies with the norms of urban development.
3. That the approval of the Assembly of Owners represents no less than 66 % of all the real estate units, duly represented by the owner or person delegated at the meeting of the Assembly of Owners.
4. That permits are obtained from the competent authorities.

For these physical modifications, the notarization of the reform to the Co-ownership Regulation and a declaration indicating the farm to which the change will be made and what it consists of. This registration will be made by the Public Registry in each farm, except in the case of a merger or reunion of farms or division of an existing one, in which case the respective cancellation of the registration of the farm that ceases to exist due to having merged will proceed. with another or the annotation of the new farm that is born from the division of the existing one.

Article 14. In the commercial operations with the guarantee of goods subject to the Horizontal Property Regime, the debtor and the creditor or trustee, as the case may be, may agree that the rights that this Law confers on the owner may be exercised by them. Once perfected, this agreement must be informed with its details in writing to the administration of the horizontal property.

Article 15. Once incorporated into the Horizontal Property Regime a .TheOwners Assembly property and the subject to the Horizontal Property Regime will be obliged to allocate the parking lot the annexed property that correspond to each real estate unit in accordance with the provisions of article 41.

The sale, transfer, donation, exchange or any act of disposition of parking lots and related assets is prohibited in the following cases:

1. When they harm the owners of the real estate units incorporated into the Horizontal Property Regime.
2. When the owners of the real estate units incorporated into the Horizontal Property Regime are excluded from the rights or benefits of such assets.
3. Cuando queden con menos de la cantidad de estacionamientos que establecen las normas de ordenamiento territorial del Ministerio de Vivienda y Ordenamiento Territorial.

Title V Common and Private Property

Article 16. Essential common property and inalienable and indivisible domain are those that meet an essential benefit for all property owners, which include the following:

1. In the case of horizontal property of buildings, the area of land on which the property is built, except in the case of buildings built on land owned by one or more persons as provided in number 3 of article 3.
2. The goods necessary for the existence, security, health, conservation, appearance and operation of the real estate units.
3. The assets that allow each and every one of the owners the use and enjoyment of a real estate unit.
4. Those that are expressly indicated as such in the Co-ownership Regulations that are not contrary to this Law.
5. The areas and installations of central services, such as electricity, gas, water, refrigeration, water tanks and pumps and other similar ones.
6. The foundations, columns, beams, slabs, roof and other structural parts, ceilings, galleries, halls, stairs., corridors and entrance and exit and communication routes and all the exterior walls of the facades of the real estate units.

Article 17. The following are common assets:

1. Basements, elevators, waste incinerators, mailboxes, visitor parking areas, as well as parking lots for disabled people with reduced mobility, as required by current regulations, and if there would be, patios and gardens.
2. The areas intended for the use or accommodation of employees of the horizontal property.
3. The artifacts, areas and existing facilities for the common benefit,
4. All those amenities that provide a common benefit within the horizontal property.

Article 18. They will belong in community only to the owners of real estate units on the same floor, which is intended for the exclusive use of the occupants of said floor, except for the essential common goods for all the owners of the horizontal property(t:aLI: . .),

Article 19. The Homeowners' Assembly may approve 51% or more of all the real estate units that some Common goods have the exclusive character under the conditions established, for one or more owners, provided that they are not essential for the existence, security and conservation of the property, in which case it will correspond to that owner or those owners benefiting from the exclusive use of maintenance, repair and conservation expenses for these common assets.

The foregoing may be adopted in the constitutive title of incorporation into the Horizontal Property Regime or by the approval of the Homeowners' Assembly.

Article 20. The Homeowners' Assembly, in a decision made by the 51% or more of the totality of the real estate units, may approve the acquisition of a good offered by its owner, to be used as a common good, for sale or for sale. lease for the benefit of horizontal property.

Article 21. Except for the obligation to pay the fees for common expenses, which are of a real nature since they fall on the real estate unit, regardless of who its owner is, the duties and rights of every owner over the common property are inseparable from ownership, use and enjoy your respective real estate unit. In the transfer, encumbrance, sequestration or embargo of a real estate unit, these rights and obligations must be included and these acts in relation to them cannot be carried out separately from the real estate unit to which it is accessed.

Article 22. The participation coefficient on the common property will be proportional to the value of the real estate unit of its domain and must be set in terms of percentage of the total value of the property.

The improvements and impairments of each real estate unit do not alter the assigned quota, which may only be varied with the approval of 51% or more of the votes of all the real estate units, except as provided in article 13.

Article 23. Quotas of common expenses of the real estate units must be paid monthly and will generate a surcharge whenever the payment obligation has expired. The payment of these fees falls on the property, regardless of who owns it.

The Assembly of Owners may establish the parameters so that the Board of Directors can make payment arrangements, incentives for advance payment and other actions that favor the collection of common expense fees, provided that this improves the economic situation of the horizontal property, duly authorized by the Owners Assembly with the approval of 51 % or more of the votes of all the real estate units.

Article 24. The owners of real estate units with shared elements will cover in equal parts the expenses of maintenance and repair of the elements of the mezzanines and of the walls that are common to them.

If it is verified that the damage has been caused by one of the affected parties, the latter must assume the repair costs within a period of thirty calendar days,

Article 25. Each owner must contribute with the necessary expenses for the administration, conservation, maintenance, operation, repair and modification of the common property, including the hiring of the insurance against fire, earthquakes, fires caused by earthquakes with cover extension over the entire building and on civil liability for damages to third parties in attention to the share of common expenses defined in the Co-ownership Regulations, without prejudice to the express stipulations of the parties, provided that they do not contravene the provisions of this Law.

Article 26. The share of common expenses may be set differently if so agreed by the Assembly of Owners, through the affirmative vote of 66% of all the units. real estate that make up the horizontal property that are up to date with their financial obligations, except for the exception established in art.35.

Article 27. As of the issuance of the occupancy permit for the real estate unit, the promoter and the initial owner must pay all the fees for common expenses until the sale of the unit is duly registered in the Public Registry. real estate or the real estate unit is delivered, in which case it will be up to each owner or the promissory buyer, as the case may be, to assume it according to the share of common expenses.

In projects by stages or phases that have already been incorporated into the Horizontal Property Regime, the promoter and/or initial owner will prepare a budget that includes all the common expense fees for that phase and will cover all the common expense fees. of the real estate units that have not been transferred and delivered, that are incorporated from each phase.

In projects by stages or phases that the initial owner has not incorporated into the Horizontal Property Regime, the owner must pay the share that corresponds to him for the areas that are common to the entire project, such as access streets, security checkpoint, gardening and consumption for the electric service of the luminaires of those common areas. These common areas will have an independent budget of the property.

The maintenance of those areas reserved by the promoter for future developments will correspond to the promoter *and/or initial* owner.

If for reasons attributable to the promoter the real estate unit is not materially delivered to the new owner once.that its public deed has been registered in the Public Registry, the promoter will bear the shares of common expenses that correspond to this real estate unit until the date on which its material delivery is made, including its Baves and prior inspection of the new owner.

Article 28. When any of the owners fails to comply with their obligation to pay the common expense fees within the established period, the following measures will be applied:

1. A surcharge of up to 20% may be charged on the common expense fee failed to pay, after the date established in the Co-ownership Regulations for the payment of the common expenses fee or. failing that, the last day of the month.

2. The number of the delinquent real estate unit, farm number and the amount without specifying the name of its owner may be announced in a visible place on the furniture.

3. The use of common recreational areas and common services, such as gas, internet, cable television, may be suspended. when it is common: electric porter service, use of elevators, toilet and other common services whose supply requires the contribution of common expenses. This measure will be applicable from two months or more after the due date of the payment obligation.

The suspension of the water service is excepted from this numeral.

4. may be denied and security services, correspondence, porter service, permits for entry of materials or permits for remodeling or construction in the unit

5. The use of remote control entry or technological facilities may be restricted to the owner of the delinquent real estate unit and their dependents. However, the owner of the real estate unit must be allowed access through the visitor entrance.

may be Vehicle access for non-essential and/or urgent visits and providers
Ambulances, emergency vehicles, authorities, medicine or food suppliers must be allowed to pass to the delinquent real estate unit, in the case of people in a state of vulnerability.

7. An executive process may be filed, serving as an executive title the statement of account or unpaid receipts. This measure will be applicable from two months or more after the due date of the payment obligation.

8. Mortgage creditor or fiduciary institutions must be informed in writing about the real estate units that are two months or more behind in the payment of their common expense installments.

The delinquent owner will pay the expenses incurred by the horizontal property for the application of these actions and recovery of said expenses, including the fees for professional services.

Article 29. Whoever occupies, in any capacity, any real estate unit will be responsible for the damages caused to common or private property and to third parties due to fraud, fault or negligence of their dependents and/or guests, without prejudice to the joint and several liability that falls on the real estate unit, for which its owner must respond.

To determine the economic amount and origin of the damages, the administrator must have the professional services of a suitable expert in the matter, whose opinion must be recorded in a record prepared with the intervention of! administrator on behalf of the property, the owner or owners affected or who they designate, who may also contract the professional services of a suitable expert in the matter.

If the damages are not paid within thirty calendar days, the amount of the damages to the common property will be included in the account statement of the real estate unit as part of the common expenses quota. The owner affected in his property may initiate the legal actions that he deems pertinent.

Article 30. Each owner will use his real estate unit in accordance with its intended use in the laws and in the Co-ownership Regulations. The owner of a real estate unit intended for residential use may exercise in it the trade or profession from which he derives his income, provided that he resides in said unit and is the one who personally exercises the trade or profession and does not cause additional expenses to the property. horizontal, disturbs the security, peace or tranquility of the neighbors or violates the law, its regulations or the Co-ownership Regulations or Use Regulations.

In cases where the owner of the real estate unit wants to avail himself of this benefit, he must notify in writing to the Board of Directors for authorization in this regard. In case of not having a response in the term provided in article 2, the benefit will be understood as granted. In the event that the law, its regulations or the Co-ownership Regulations or Use Regulations are violated or there are well-founded complaints from the other owners or the real estate unit is used for acts contrary to morality and good customs, the license will be immediately revoked. authorization given.

Article 31. Each owner will use the common property according to their purpose and according residents Regulation and Use Regulation.

Article 32 and those who occupy the real estate units that make up the property are prohibited horizontal to any title the following:

1. Allocate the real estate units to uses contrary to the law, morality or good customs or to purposes other than those indicated.
2. Disturb the tranquility in any way and/or cause disturbances that alter the peace and quiet, health and safety of the owners and/or residents.
3. Introduce, maintain or store in your real estate unit or any other part of the horizontal property, wet, corrosive, flammable, infectious substances that represent a danger to the structure, health, safety or appearance of the horizontal property or to the health of the occupants or that produce bad odors or any kind of nuisance for the other owners and/or residents.
4. Carry out new works, installations or equipment, such as adding roofs, eaves, antennas or other objects, without the consent of 66% of all the real estate units that make up the horizontal property and of the competent authorities. In the event that consent is granted for such modifications as the addition of roofs, eaves, antennas or other objects, these may not protrude from the horizontal projection of the floors of the real estate units.
5. Carry out new works and/or improvements, such as new excavations, basements or expansions of existing ones and, in general, carry out acts that may harm or compromise the soundness, safety or health of the horizontal property.
6. Modify or add any of the facades of the real estate, without the consent of 66 % of all the real estate units that constitute or make up the horizontal property and that are up to date with their obligations in respect of common expenses, without the study of an architect and the approval of the competent authorities

. In case of alterations to the facades without compliance with the established requirements, the justice of the peace or the competent authorities will oblige the owner or owners of the real estate units to replace the modified elements and, in case of refusal, for a period of thirty calendar days, counted from the notification, will impose a fine that will vary from $\frac{1}{100}$ % decimals or its equivalent in 0.25% up to 1% or its equivalent in decimals 0.01% of the value of the real estate unit registered in the Public Registry, depending on the seriousness of the fault, until the provisions are met.

In order for the Owners' Assembly to grant the permit referred to in this numeral, it will be necessary to comply with the following requirements:

- a. That a suitable architect present a study for the entire façade of the building.
- b. That this study be approved by no less than 66% of all the real estate units that make up the horizontal property and that they are up to date with their obligations in respect of common expense quotas.

To request the approval of the plans before the respective municipality, it must have the approval of the Owners' Assembly.

In the case of modifications during the first five years, counted from the date of the building's occupancy permit, the written approval of the architect designing the work must be obtained for any modification of the exterior facade.

7. Place commercial or professional signs in the real estate unit without the prior consent of the Board of Directors, except in premises intended for shops or offices on the ground floor or mezzanines, where the owners may place signs that do not affect the aesthetics or safety and, judgment of the Board of Directors, do not cause inconvenience to other owners or exceed the height of their corresponding property and as long as the place where they were installed, their design and the permission of the municipality are indicated.
8. Hire unsuitable personnel for the repair, maintenance and upkeep of electricity, plumbing, gas installations and any other that requires suitability or certification to be exercised.
9. Execute other acts prohibited by the Co-ownership Regulations.

The Board of Directors may establish, through resolutions, additional prohibitions not contemplated in this Law, its regulations or in the Horizontal Property Co-ownership Regulations, which will take effect once they are approved by the Owners' Assembly. Those that deal with urgent issues, that are aimed at preventing situations that endanger the life, safety, health or stability of the property may take immediate effect, which will be valid until approved or rejected at a meeting of the Owners' Assembly.

Article 33. The infraction of any of the prohibitions contained in the ²⁹⁴⁷⁶ article ^{above} - ^{may} No. ^C give ^{to}

rise

the following corrective actions, depending on the seriousness of the case:

1. The administrator may make a first call for attention, which may be verbal or in writing, through the means established for purposes of calling, by the administration.
2. The Board of Directors may impose the fines that the horizontal property has established for each fault, in accordance with the approved regulations.

If the violation of any of the prohibitions contained in the previous article persists, the Board of Directors, the administrator or any owner, in accordance with the powers established in article 108, will have the obligation to report to the Ministry of Housing and Territorial Planning and /or the justice of the peace and/or the competent authority the infraction or infractions committed by the owner and/or occupant.

If the infraction is verified, the cessation of the acts will be ordered and a fine of fifty balboas (B/.50.00) to five hundred balboas (B/.500.00) may be reprimanded or imposed on the offender, who will be liable for the damages and losses incurred. In case of recidivism or non-compliance with the issued order, the fine will be from five hundred balboas (B/.500.00) to one thousand balboas (B/.1,000.00) to the offender, who will be liable for any damages that may arise.

Article 34. Whoever occupies, in any capacity, any real estate unit will have the obligation to allow the transit and work of people who must enter it or its adjoining assets to inspect or make arrangements in another real estate unit, in common assets or third parties.

For that end. The administrator will request the respective permits three calendar days in advance, unless it is a matter of notorious urgency where he will have to take the expeditious step. If the permit is denied, the Board of Directors or, failing that, the administrator will inform the respective justice of the peace or on duty to obtain authorization to enter the real estate unit.

Article 35. The modification of quotas of ordinary common expenses or the approval of quotas of extraordinary common expenses in first call will require the approval of the Assembly of Owners through the favorable vote of at least 51 % of the totality of the units. real estate agencies that are up to date in the payment of common expenses.

not achieved *quorum* at the meeting of the Owners' Assembly on first call where the ordinary common expenses fee is modified or the approval of an extraordinary common expenses fee, the secretary of the Board of Directors or whoever is exercising this function will draw up a record stating the situation and any other relevant fact that must be known by the absentee owners. Those present may establish a new date for holding a new meeting, which must be convened in accordance with the provisions of this Law with a minimum of ten calendar days after the first, with the same agenda. schedule, form and place to deal with the modification of the ordinary common expenses quota or the creation of an extraordinary common expenses quota. In the second call, the approval of, at least, 30% of all the real estate units that are up to date in the payment of the common expenses quotas will suffice.

In these cases, the provisions of numeral 50 of article 6 of this Law will be applied .

Article 36. In the case of additional improvements to those already existing at the time the property is incorporated into the Horizontal Property Regime, the vote will be required for its approval. Favorable of 51% of all the real estate units that are up to date in the payment of the common expenses quotas.

In the event that any owner does not agree with these contributions or extraordinary fees, because they are assets that, due to their nature or destination, may not be used by the real estate unit because they are not necessary for the existence, stability, operation, conservation, security, use and enjoyment of the horizontal property, or that can be considered sumptuous, such as central gas, electric plants, swimming pool, sauna, collective internet, gyms, furniture for parks and like, your real estate unit will not be obliged to make the corresponding contributions. The Ministry of Housing and Territorial Planning will be competent to define, through the Directorate of Horizontal Property through a technical report, if indeed the construction of improvements, as established in this article, are necessary or if they are sumptuous, and its decision will be binding. In this case, owners who state that they are not interested and do not use or benefit from these types of additional or sumptuous improvements are not required to make the corresponding contributions. If the decision changes, the real estate unit will have the right to use it once the costs are paid.

Title VI

Constitution of the Horizontal Property Regime

Article 37. The Ministry of Housing and Territorial Planning is empowered to establish the design standards related to the Horizontal Property Regime, as well as to regulate the requirements and procedures for incorporation into the Property Regime Horizontal.

The Public Registry of Panama will have the power to reserve, for a term of up to one year, extendable, the name of a project that is requested by the promoter or by the person representing him, prior payment of the corresponding rights.

Article 38. The Horizontal Property Regime is constituted in three phases:

1.³ The approval of the Ministry of Housing and Territorial Planning, through resolution, that the project to be developed is suitable to be incorporated into the Horizontal Property Regime, for which they must provide the plans previously approved by the competent municipal authorities and the Co-ownership Regulation of the project must be provided.

The incorporation to the Horizontal Property Regime will be irrevocable, with the exceptions provided for in article 103.

2.³ The protocolization, before a notary, of the resolution issued by the Ministry of Housing and Territorial Planning and the Co-ownership Regulation, with expression of the destination of the project and its real estate units, and shall be accompanied by a description of each unit and the number and date of the respective plan.

3.³ The public deed must be registered in the Public Registry, after complying with the legal requirements.

Article 39. The constitutive title by means of which a property is incorporated into the Horizontal Property Regime will contain for its registration, in addition to the requirements required by article 1759 of the Civil Code, the following:

1. The description of the land and improvements, with expression of their respective areas and construction materials of the walls, floors and roof, as well as the quantity and identification of each level or architectural floor defining the common and private areas in each one of them. This design must include a safe space within the property, where the documents related to the administration of the horizontal property must be kept and where it is warranted, the administration office of the property may be established. The sufficient dimensions and adaptations of this space will correspond to the needs and the number of housing units that make up the housing estate.
2. The value given to the project, breaking down the values of the land and its improvements.
3. The name of the project, which may not be the same as another already registered, which will be preceded by the initials PH or Horizontal Property, to indicate that it is a project under this Regime, or the name of the project duly reserved in advance. in the Public Registry.
4. The determination of the common and private areas of the Horizontal Property Regime.
5. The determination of the use or uses that are allowed with the detail of the independence of each use assigned to the real estate units that make up the Regime. It is understood that, in the event that the constitutive title completes multi-use, the operation of each use established in the Regime must be capable of division and this must be stated in the Co-ownership Regulation.
6. The identification of the location of each housing unit with its boundaries, linear measurements, surface, value and coefficient of participation of the owners on the common goods and their rights.
7. Details of the housing units into which the farm is divided.
8. The resolution that approves the incorporation to the Horizontal Property Regime and the Co-ownership Regulation.
9. In the case of projects built in stages, the specification of the built area with its corresponding value of the land, improvements and the rest free for future construction, indicating the remaining area and its value.
10. In the case of real estate projects, the specification of whether one or several horizontal property regimes will be constituted under the terms of this Law.
11. In the case of horizontal tourist property, the inclusion of the Tourism Registry certificate, the details of the tourist accommodation modality to be developed and the technical specifications of said modality, which must be included in the Co-ownership Regulation.
12. The Property Regime constituted on the real estate units for commercial tourist use, duly registered with the Horizontal Property Regime and the Tourism Registry as the governing authority, through which the owner of the real estate units through a contract tourist public in allocates the property to accommodation of any of its modalities.

13. Any other circumstance that 29476 be noted, such as attached assets that must be fully identified and described and that must be part of the unitAll

Article 40. operations on real estate subject to the Horizontal Property Regime will be registered in the Public Registry of Panama, in accordance with the provisions of Chapter II, Title II, Book V of the Civil Code, Law 3 of 1999 and other regulations issued by the Public Registry

Article 41. In the case of the registration of the segregation of a real estate unit, it will be necessary to prove the boundaries, linear measurements and surface, as well as the identification of the unit, location on the floor , its value and coefficient of participation in the common assets. If attached assets correspond, these must be fully identified and described.

Once the promoter registers the sale of all the real estate units, you must pay a share for the annexed goods that have not been assigned to a real estate unit and are reserved by the promoter, which will be corresponding to the areas that are common to the entire project, such as access streets , security checkpoint, consumption of! electrical service, cleaning and maintenance of these common areas. This part share will be determined in the Co-ownership Regulation.

Once the reservation period has expired! promoter, these will become common property of the property.

Article 42. The improvements consisting of projects intended for the Horizontal Property Regime whose development is in stages may be incorporated as the respective real estate units are built if, in addition to complying with the formalities of articles 38 and 39 as applicable, mediate the following causes:

1. That the part already built is usable for its destination.
2. That the partial occupation of the project does not represent a danger to any person.
3. That the competent authorities issue an individual occupation permit.
4. That the administration of the horizontal property is the responsibility of the promoter and/or initial owner until the totality is completed, and the promoter and/or initial owner may only require the share corresponding to the share of common expenses of each owner who has acquired your real estate unit from the moment you acquire the property title. Once the sale and registration of! 51 % of the real estate units of the horizontal property (original or derived), the owners will have the right to elect a Board of Directors that replaces the members appointed by the promoter.

The minimum percentage of progress in the construction of the improvements and infrastructure required to join the Horizontal Property Regime will be regulated by the Ministry of Housing and Territorial Planning.

Article 43. In the event that the incorporation into the Horizontal Property Regime of a building whose construction dates back more than twenty years and which was occupied by tenants is requested, The following requirements must be met:

1. Submit a technical report confirming that the building or property is in good habitability conditions, provided by the interested party and signed by a suitable professional.
2. Submit to the Ministry of Housing and Territorial Planning a memorial signed and duly notarized by not less than 66% of the occupants of the property, who are notified of the application for incorporation into the Horizontal Property Regime and the price offered.
3. Compensate with the equivalent of the rental fee of one month for each year occupied, up to a maximum of six months, to tenants who do not accept the purchase of the real estate unit incorporated into the Horizontal Property Regime of a building occupied by tenants, through the approval of not less than 66% of the occupants of the building or property.

Likewise, in the case of a property built twenty years or less, the described requirements will be met, except that the percentage of tenants or occupants will be 51%.

This measure will be applied in accordance with the provisions of current regulations on leasing.

Article 44. The promoter or owner will pay the Ministry of Housing and Territorial Planning a sum equivalent to two tenths (0.2) of the construction value declared for the purposes of the municipal construction tax, for processing the application submitted to incorporate the Horizontal Property Regime, which must also be paid in cases of reform of the Co-ownership Regulation, which implies increase in the values already established by the difference of said increase. The product collected for this concept will be assigned as follows:

1. 50 % enter the Housing Assistance Fund of the Ministry of Housing and Territorial Planning.
 - 2 . The remaining 50 % will be allocated to contribute to the operating expenses of the Horizontal Property Directorate of the Vice Ministry of Territorial Planning.
- Buildings that the Ministry of Housing and Territorial Planning classifies as of social interest are exempt from this payment.

Article 45. In the cases of subdivision, subdivision or urbanization projects with served lots, whose improvements will be built later by each acquirer, the payment for the fees for processing these requests will be made in two phases:

1. The promoter, upon submit the request for incorporation of the project to the Horizontal Property Regime, you must pay to the Ministry of Housing and Territorial Planning the sum equivalent to two tenths (0.2) of 1% of the value of the declared infrastructure, for the purposes of the municipal construction tax. The inscription

project in the Public Registry will contain a marginal for each lot served pending payment in the Ministry of Housing and Territorial Planning of the improvements to be built

- a. The purchaser of each lot served, once the respective improvements have been made, must, prior to the declaration of the improvements in the Public Registry, pay before the Ministry of Housing and Territorial Planning what is prescribed in article 44, for which the ministry will issue a certification that will allow the lifting of the respective margin and the corresponding registration in the Public Registry.

The placement or removal of the marginal note will cause the payment of the rights that correspond to the Public Registry of Panama.

Title VII

Administration of Horizontal Property

Chapter I

Fund for Contingencies

Article 46. The Fund for Contingencies is compulsorily created to meet and finance the obligations, works or expenses that arise unexpectedly not contemplated in the current budget of the horizontal property *and* that directly affect the financial situation and the proper functioning of the property.

This fund could not be used for those foreseeable expenses that are part of the usual and/or normal maintenance of the horizontal property.

Article 47. The Fund for Contingencies corresponds to at least 1 % of the total income and the annual common expenses fees collected.. which must be included compulsorily as part of the budget that will be approved at the annual ordinary meeting of the Owners' Assembly: Only the Contingency Fund and/or up to 20% of the total amount collected monthly by the horizontal property may be covered until liquid amount decreed by the court.

Article 48. If the use of the Contingency Fund is required, the Board of Directors must justify its need and the amount to be used before the Owners' Assembly, which will decide by means of the favorable vote of at least, $\diamond 151$, % of the total of the real estate units that make up the horizontal property.

Chapter II

Co-ownership Regulations

Article 49. The Co-ownership Regulations must contain, as a minimum, without prejudice to other provisions that the owners deem necessary for the best functioning of the Regime , the following:

1. The name by which the horizontal property will be called.

2. The determination of) use or uses to which the horizontal property will be allocated. In the case of multiuse, the areas or floors and the common goods that make up each component must be defined, according to the corresponding use. In the case of buildings, each use must be framed within the current zoning regulations established for this purpose by the Ministry of Housing and Territorial Planning.
3. The prohibition or not to carry or have animals in accordance with the provisions of the Ministry of Health or local authorities; however, the type, form, modalities, care and responsibilities that the owner must assume to keep pets can be determined.
4. The form of call and periodicity of the sessions of the Owners' Assembly.
5. The number of owners necessary to hold ordinary and extraordinary meetings of the Owners' Assembly in accordance with this Law.
6. The number of owners to adopt resolutions and valid agreements, when it comes to cases in which the law does not require a certain percentage.
7. The month in which the regular annual meeting of the Homeowners Assembly must be held.
8. The powers, obligations and functions of the Board of Directors and its officers.
9. The mechanism for appointing the administrator, powers, obligations and duration period.
10. The indication of the date on which the administrator must render a report on his management.
11. The obligation of the Board of Directors to present an annual budget of income and expenses, as well as the detailed report of the deposits and withdrawals of the Fund for Contingencies, before the Assembly of Owners.
12. The table of values and percentages, containing the value of each real estate unit, which includes the value of the land and improvements, as well as the coefficient of participation of these on the common goods.
13. The obligation of the secretary to keep a book or record of the minutes of the sessions of the Owners' Assembly and a book or record of the sessions of the Board of Directors.
14. The obligation of the treasurer to keep a book or record of income and expenses and present an audited report annually, when there are more than twenty real estate units.
15. The description of the reservations made by the promoter, provided that these do not fall on essential common goods for the existence, stability and operation of the horizontal property, which will have a maximum validity period of ten years, being null any stipulation to the contrary, of in accordance with the provisions of this Law and the regulations issued on this matter by the Ministry of Housing and Territorial Planning.
16. The waste management and disposal plan for recycling, if possible, always ensuring the protection of the environment in the area.

Article 50. To amend the Co-ownership Regulations, an agreement is required at the Owners' Meeting by the vote of 66 % of all the real estate units that make up the horizontal property and that, in turn, represent no less than! 75

horizontal property, as it appears in the table of values and percentage ownership Regulation. In the event that a single owner represents 50% or more of that value, he will require the extra percentage that allows him to total 75% of the value of the horizontal property for the agreement to be valid. These reforms need to be approved by the Ministry of Housing and Territorial Planning and must be submitted to a public deed and registered in the Public Registry in order to take effect against third parties, with the following exceptions:

1. The change in the participation coefficient, which will require the approval of no less than 75% of all the real estate units and that, in turn, represent 75 % of the participation coefficient and that they are up to date with their financial obligations with the horizontal property.
2. The granting of the right to property for exclusive use to one or more owners, for which the favorable vote of no less than 51% or more of all the real estate units is necessary.
3. The Assembly of Owners will have the competence to fix the alteration of the percentage of participation, in cases of segregation or merger of real estate units that do not alter the remaining quotas of the other real estate units.

Article 51. In the meeting of the Assembly of Owners, each real estate unit registered in the Public Registry will have the right to one vote, which will be exercised by its owner; however, the real estate units that at the time of the vote are not up to date in the payment of the common expense quotas are disqualified from exercising this right, and their owner may only exercise the right to voice.

What was not provided for in the law, its regulations, the Co-ownership Regulations or did not have a qualified vote, will be decided as approved by the meeting of the Owners' Assembly, duly constituted by majority of votes of those present. This decision will be mandatory as long as it is not contrary to this Law.

Chapter III Promoter

Article 52. The promoter Y or/initial owner will be responsible for complying with the provisions referring to the operation, conservation and functioning of the project, in addition to the following minimum obligations:

1. Ensure the delivery of the real estate units within the terms stipulated in the promise of sale or purchase contract.
2. Comply with the provisions agreed in the promise of sale or purchase contract.
3. Develop the project in accordance with the design approved by the competent authorities.
4. Prepare, in the projects by stages or phases that have already been incorporated into the Horizontal Property Regime, a budget that includes the totality of the quotas of the common expenses for that phase, and defray the totality of the quotas of common expenses of 29476

real estate units that have not been transferred and delivered, that are incorporated from each phase that have their corresponding occupancy permit.

5. Pay the share that corresponds to the areas that are common to the entire project, such as access streets, security checkpoint, gardening, electricity consumption of the electric service pastes of those common areas, in the projects by stages or phases that the initial owner has not incorporated into the Horizontal Property Regime. These common areas will have an independent budget of the property.
6. Cover the maintenance of those areas reserved by the promoter for future developments.
7. Transfer in good condition to horizontal property those areas or goods that have been subject to reservation and that, at the time of expiration of the ten-year period, these have not been executed.
8. Deliver the Co-ownership Regulations to the future buyer or owner.
9. Keep the property developer company in force, after the registration of the Co-ownership Regulation, and it may not be dissolved until the guarantee that article 1343 of the Civil Code deals with expires. These promoter companies must necessarily have their domicile in the Republic of Panama, which must be stated in the promise of sale contracts and in the Co-ownership Regulations.

Article 53. The promoter must deliver to the transitory Board of Directors, which is appointed by him, the assets and common areas of the horizontal property, which will guard them as a good family and will submit monthly income and expense reports, in accordance with what is established in this Law, before the Assembly of Owners until the formal delivery to the first Board of Directors composed of the owners of the horizontal property.

Article 54. The promoter must deliver to the temporary Board of Directors and this, in turn, to the Board of Directors elected by the owners, as a minimum, the following documents:

1. Complete physical and/or digital copy of the approved plans of the project .
2. Physical original and digital copy of the public deed of registration of the horizontal property and its modifications, if any.
3. Physical original and digital copy of the Regulation of Use.
4. Copy of the certificates of delivery of the real estate units that make up the horizontal property.
5. Copy of the construction and occupation permit or permits that exist for the property or for each of the real estate units, as the case may be.
6. Insurance policies issued in favor of the horizontal property.
7. Demonstration plan of parking distribution.
8. Purchase invoices, manuals and guarantee certificates on the equipment, systems and furniture of the common areas of the horizontal property, as well as any other certification referring to the soundness, health, safety, maintenance and conservation of the horizontal property.

9. and minutes Original records of the meetings of the Owner's Assembly and the Board of Directors.

Article 55. The promoter will have, as a minimum, the following rights:

1. Establish reserves on non-essential common goods that favor the development and execution of his project.
2. Set the name of the horizontal property, as well as the number of real estate units in which your project is divided, the value assigned to these and the participation coefficient.
3. Define and establish the uses or destinations of the horizontal property, as well as its areas in accordance with the urban development regulations.
4. Prepare the Co-ownership Regulation in accordance with this Law and present the constitutive title in the Public Registry for its registration.
5. Appoint the first temporary Board of Directors and the first administrator of the horizontal property.
6. Enter into the promise of sale and purchase agreements.
7. Submit documentation for procedures related to the Horizontal Property Regime before the Ministry of Housing and Territorial Planning.
8. In projects by phase, access will be guaranteed to promote and develop the future stages of the project.
9. Any other granted by this Law and its regulations.

Chapter IV Owners

Article 56. The owners will be responsible in relation to the participation, conservation and maintenance of the horizontal property, having, as a minimum, the following obligations:

1. Compulsory attendance at the meetings of the Owners' Assembly. Failure to do so will impose a fine of a minimum of 20 % of the share of common expenses. The Owners' Assembly may increase this percentage. Similarly, all owners of a real estate unit must prove their status as such.
2. Pay the fees for ordinary or extraordinary common expenses on the established dates or deadlines.
3. Inform, as soon as it becomes known, to the administrator or the Board of Directors any irregularity in relation to the safety, health, conservation and maintenance of common property.
4. Use the common and private areas of the horizontal property according to their destination and in accordance with the provisions of the Co-ownership Regulation and Use Regulation.
5. Comply with and enforce the provisions of this Law, the rules of the Co-ownership Regulation, by his visitors, suppliers, dependents and/or the people to whom he leased or in any way assigned the use of his real estate unit.
6. Keep your real estate unit and the elements that make it up in good condition.

7. Respond for damages caused to common and private areas, other real estate units or affected third parties. time and at your expense, a multi-risk insurance policy on your real estate unit with

extension of damages to third parties and to common property and equipment. A copy of this policy may ^{be} delivered at each renewal to the horizontal property administration.
8. Allow the access to the competent authorities in the company of the administrator in cases where the law so orders
9. Use only suitable personnel for repairs and modifications to the real estate
10. Address with respect the other owners and/or residents, staff of the administration and other people related to the operation of the horizontal property, refraining from uttering offenses that affect their dignity
11. Respect and preserve the uniform half of the property.
12. Inform the Board of Directors and/or the administrator about the work to be carried out in the real estate unit.
13. Inform and deliver to the Board of Directors and/or the administrator, for security reasons, a copy of the identity card and/or passport of the person or persons to whom the use of their real estate unit was leased or assigned under any title. The information provided must be handled under the principle of confidentiality established by this Law.
14. Comply, at the request of the Board of Directors and/or the administrator, with the health regulations dictated by the national and local authorities.
15. Carry out and pay for the repairs of the damages of his real estate unit that affect another real estate unit or common areas, in accordance with the provisions of article 29.

Article 57. The owner shall have, at a minimum, the following rights:

1. Receive information related to horizontal property by the Board of Directors and/or the administrator within the terms established in this Law and when necessary.
2. Submit petitions to the Board of Directors or to the administrator, and receive a prompt response and/or solution on this.
3. To the use, enjoyment and enjoyment of the common and private areas, without further limitations than those established in this Law, its regulations, the Co-ownership Regulation and the Use Regulation.
4. Receive a physical and/or digital copy by the Board of Directors and/or the administrator of the Co-ownership Regulations and the Use Regulations. In the case of requiring additional copies, they will be at the owner's expense.
5. Participate with voice in the meetings of the Owners' Assembly and exercise their right to vote whenever they are authorized to do so.
6. Receive a copy of the minutes of the Owners' Assembly and certifications of the minutes of the Board of Directors for issues related to their real estate unit or the common areas of the property, when requested.
7. Receive the certifications of peace and except within a period not exceeding three calendar days, when requested.

8. Receive dignified and respectful treatment from the other owners and/or residents, administration personnel and other people related to the operation of the horizontal property !.
9. Being part of the Board of Directors or of some support committee of the horizontal property.
10. Receive confidential treatment in matters that refer to their private life or intimacy. The administration must ensure that the management of technological security tools, images and information obtained through these means, must be delivered only at the request of the competent authorities or the affected owner, due to acts of intent, fault or negligence committed in against the law and/or the Co-ownership Regulation or use of real estate.
11. Any other granted by this Law and its regulations.

Chapter V Assembly of Owners

Article 58. The Assembly of Owners is the highest body within the Horizontal Property Regime and will be formed by all the owners that make up the horizontal property. The Assembly of Owners will obtain its legal status when the Co-ownership Regulation is registered in the Public Registry and will act under the name of Assembly of Owners of the Horizontal Property followed by the name of the property, it may also use the acronym PH as an abbreviated name, followed by the property name. Its purpose is to ensure the maintenance, conservation, health, safety and good administration of the common property of the horizontal property, without profit.

Article 59. The legal representative of Owners will be the president and, as such, will represent the Assembly in all kinds of processes and acts related to the property or its administration and will not be responsible for the acts executed, provided that they are exercised in compliance with the law or in accordance with the mandate of the Assembly.

In the absence of the president, the legal representation will be held by another member of the Board of Directors in accordance with the order of priority established in this Law and, in the absence of all of them, the owner designated by the Owners' Assembly. This designation must be registered in the Public Registry.

Article 60. The administration, maintenance and conservation of common property of the horizontal property will correspond to the Assembly of Owners and will be executed in a coordinated manner by the Board of Directors and the administrator.

Article 61. The Owners' Assembly will meet in an ordinary session, at least once a year, which must be convened by a member of the Board of Directors, in the month indicated in the Ownership Regulations. If there is no indication of the month in which it must be convened, it must be held three hundred and sixty-five calendar days after the last meeting of the ordinary Assembly.

Article 62. The call for an ordinary Assembly will be made no less than ten nor more than twenty calendar days prior to the holding of the meeting, which will be communicated through a written document to the real estate unit and/or by any technological means indicated by each owner. In the case of the mandatory annual ordinary Assembly, the budget project and the income and expense report prepared by the administrator, endorsed by an authorized public accountant, the management report by the Board of Directors, the audited financial statement of the previous period, if so previously required by the Assembly of Owners. The contribution of the above documents is excepted, when the convocation to a meeting of the Owners' Assembly is made by not less

than 20% of all the owners who *are* up to date in the payments of the common expenses quotas.

Article 63. The ordinary meeting of the Owners' Assembly may be convened in its own right by 20% of all the owners of the real estate units that are up to date in the payment of the common expenses, if they have elapsed two calendar months

from the date on which the Board of Directors should have convened and it has not convened it. In this case, the call formalities indicated in the previous article must be complied with. In the meetings convened in its own right, the meeting will be chaired by the president and *ad hoc* chosen by the Owners' Assembly in that session, who will be the ones who will sign the minutes, even when the owners of the position.

Article 64. The Owners' Assembly may meet in an extraordinary manner when the needs are unforeseen or urgent and when the property requires it. The call will be made by the Board of Directors, the administrator or, at least, 20% of all the owners of the real estate units that are up to date in the payments of common expenses in their own right, when not called by the authorities in charge in a term not exceeding forty-eight hours after the occurrence of the unforeseen event or emergency.

Article 65. The extraordinary convening of the Owners' Assembly will be held no less than three days nor more than five calendar days prior to the holding of the meeting.

In the event that the Extraordinary Assembly is convened in its own right by at least 20% of the totality of the owners of the real estate units that are up to date in the payments of common expenses, the meeting will be chaired by the president and secretary *ad hoc* chosen by the Owners' Assembly in that session, who will be the ones to sign the minutes, even when the office holders attend.

Article 66. The summons to the meetings of ordinary or extraordinary Assembly must contain, as a minimum. The Following Requirements:

1. Date on which the call is made.
2. Reunion class.
3. Date and time it will be held.
4. Place and/or technological means in which it will be held.

5. Agenda of the topics or the topic to be discussed.

6. Name and position of the person calling.

In the case of calls in their own right, these must be signed by the owners who call together with the registration data of their real estate unit.

Article 67. The meeting of the Owners' Assembly is considered legally constituted with a *quorum* of more than half of the owners in person or through technological or mixed means, regardless of the number of real estate units that belong to each one of them. The meeting of the Assembly of Owners may be held in person, by means of technology or mixed that has valid audio and video. The owner must participate with the minimum requirement of audio use.

If one hour after the time set in the call there is not the *quorum*, the secretary of the meeting will draw up a minute stating such circumstances, as well as the number, name of the attendees and number of owners authorized to vote.

Once this formality has been completed, the Owners' Assembly may meet with a *quorum* equivalent to 20% of all the owners of the property. This 20% will be able to deliberate and adopt valid decisions through the favorable vote of the majority of those present who are up to date in the payment of common expenses, provided that this Law does not require a different percentage to achieve valid decisions. choose a new date for the second call.

When a meeting of the Homeowners Assembly is held on second call, the *quorum* will be constituted by the owners who attend, either in person, represented or by technological means, and their decisions will be valid with the approval by a simple majority of those real estate units. that they are up to date with the payment of the common expenses quotas and other economic obligations with the horizontal property.

Article 68. In all the meetings of the Owners' Assembly, the owners may be represented by a representative, who does not necessarily have to be an owner.

When a real estate unit belongs to several people, the interested parties must designate a single person to represent them at the meetings of the Owners' Assembly, as well as for the purposes of notifications and for all acts related to horizontal property.

Likewise, every legal entity that owns real estate units will be represented at said meetings by a single natural person, who will be its representative, without the need to be required to be the legal representative of the company.

The power or authorization may be granted through a physical, public, private or electronic document, and must contain. At a minimum, the data of the owner, name of the agent and identification of the real estate unit by farm number and real estate unit number, in addition, it may indicate the powers conferred. The designation for the meeting of the Owners' Assembly should be made, preferably, with no less than twenty-four hours prior to the meeting; however, powers of attorney or authorizations will be accepted until the *quorum is verified*. The power of attorney or authorization, if granted privately, will not require any formality.

For the purposes of this article, it is understood that the right to vote corresponds to the real estate units that they represent.

The administrator for his own functions may not represent any owner. Any provision on meetings held by technological means will be regulated by the Ministry of Housing and Territorial Planning through a ministerial resolution.

Article 69. The Owners' Assembly will be chaired by the president, in his absence, by the vice president, in his absence, by the secretary, in his absence, by the treasurer, in his absence, by the member and, in the absence of these or in the cases of convening by own right, by the owner chosen by the Owners' Assembly. Similarly, in the absence of the secretary, the Owners' Assembly will appoint an *ad hoc* who may be the administrator or any of the owners present.

Whoever chairs the meeting of the Owners Assembly at the time of its celebration must be in good standing in the quotas of common expenses and economic obligations with the horizontal property.

Article 70. The decisions of the Homeowners Assembly to have legal effect and be mandatory must be approved in accordance with the percentages established in this Law.

Article 71. The decisions of the Homeowners Assembly will be recorded in a minute that will express, as a minimum, the following:

1. Number of the minutes and type of meeting.
2. Name of the horizontal property.
3. Place and/or technological means, date and time, which must coincide with those indicated in the call notice, and the transcript of! notice of call with the position, the name or names of the person or persons who called in accordance with the requirements established in this Law.
- 4 List of owners or representatives who attend personally and/or by any validated technological means specified the number of the real estate unit, the farm number and, in the case of decisions by which the Co-ownership Regulations are reformed, indicate the participation coefficient.
5. *Quorum* of the meeting taking into account the number of owners who attended in person and/or through technology, of real estate units that make up the horizontal property and the number of real estate units qualified to vote.
6. Who acted as president and secretary in the meeting of the Owners' Assembly and the way in which they were elected, in the event that they are not holders of the position .
- 7 . Issues discussed.
8. Proposals presented, indicating whether they were approved or denied *and* the form and number of votes.

Article 72. The minutes of the Owners' Assembly in which the Board of Directors or the administrator is elected must be submitted for registration in the Public Registry, in full or by extract, provided that it complies with the established requirements, allowing omission of this, all the matters dealt with that are not matters of registration,

When the elected members of the Board of Directors or the contracted administrator are natural persons, at the time of registration their personal identity card number must be included, and if it were a legal person , your registration data in the Public Registry.

Board of
Directors

Article 73. For the purposes of the Assembly of Owners and the administration of the property subject to the Horizontal Property Regime, a Board of Directors will be elected that will consist of, at least, three different members, who will occupy the positions of president, secretary and treasurer, or the Assembly may decide on a greater odd number of members, according to and according to the number of real estate units, in other positions, such as vice president, member and others that the needs require. These members will have the powers conferred by this Law, its regulations, the Co-ownership Regulations and the Owners' Assembly itself.

Notwithstanding the foregoing, a Board of Directors may be appointed with a number of two members, provided that the property subject to the Horizontal Property Regime is made up of only two real estate units.

The members of the Board of Directors must refrain from making decisions on issues that directly involve their real estate unit or represent a conflict of interest between their role as director and owner.

No member of the Board of Directors may directly or indirectly hold the position of administrator of the horizontal property, except in those real estate properties that consist of twenty or less real estate units.

Article 74. The members of the Board of Directors referred to in the previous article will be freely appointed and removed by the Assembly of Owners, through the favorable vote of , at least, 51 % of all the real estate units that are up to date in the payment of common expenses, regardless of the total number of units that make up the real estate. In the event that there is more than one owner nominated for the same position on the Board of Directors, the owner who receives the favorable vote of the simple majority of the real estate units that are up to date in the payment of the fees for common expenses will be chosen. regardless of the total number of units that make up the property.

The initial designation for such positions will be made in the same act in which the Co-ownership Regulations are approved.

The initial designation made by the promoter of the members of the Board of Directors must be renewed by the owners at the moment in which 51% of all the real estate units that make up the real estate are transferred, regardless of whether the project is carried out in stages or phases.

Article 75. Only persons who: I. Are owners of one or more real estate units may be members of the Board of Directors.

2. Preferably, they reside in the horizontal property, in those cases in which the real estate is of residential or mixed use.
3. They are up to date in the payment of the fees for common expenses at the time of the election and during the entire period as a member of the Board of Directors.
4. They are not administratively or judicially disqualified from being a member of the Board of Directors.
5. They are elected by the Owners Assembly in accordance with the provisions of the previous article.

In the case of co-owned real estate units, a single representative will be appointed to be a member of the Board of Directors.

When the elected is a legal person, it will be represented by a natural person.

Article 76. The directors elected by the Assembly of Owners may receive the benefits that it decides to grant for the performance of their positions in attention to the administration of the horizontal property. These benefits will be subject mainly to attendance, active collaboration in its functions as Board of Directors and other terms established by the Assembly of Owners, approved by the favorable vote of 51% of all the real estate units that are up to date in payment. of common expenses.

Article 77. The member of the Board of Directors who decides to resign from his position before the end of his period must present his resignation in writing before the other members of the Board of Directors; failure to comply with this procedure may be sanctioned:

Vacancies that occur on the Board of Directors for any reason will be covered by the rest of the directors in office, provided that they constitute a *quorum*. These vacancies and changes in the appointment of officers within the period of a current Board of Directors

be duly registered in the Public Registry, If *quorum cannot be established*, any of the directors in exercise must call an extraordinary meeting of the Assembly of Owners, in order to cover said vacancies.

Article 78. The members of the Board of Directors may resign, for any reason, from the positions to which they were elected by means of an explanatory note to the rest of the Board of Directors. Vacancies that occur on the Board of Directors for any reason will be covered by the rest of the directors in office, provided that they constitute *quorum* in accordance with this Law. If the *quorum* established by this Law cannot be constituted, any of the Directors in office must convene, in a term not less than ten days nor more than twenty calendar days.. to an extraordinary meeting of the Owners' Assembly in order to fill said vacancies. This Assembly minutes must be registered in the Public Registry in a term not exceeding thirty calendar days.

The resignation established in this article must be protocolized and registered by the resigning person in the Public Registry within a term not exceeding thirty calendar days and will have the signature of the resigning director. During this period, the director who has resigned must remain and hold office until his resignation is registered.

Article 79. The appointments of the members of the Board of Directors will be certified and registered in the Public Registry. In addition, the names of the designated persons and their generals must appear in a directory that must be placed in a visible place of the horizontal property. In case there is an administrator for the horizontal property, his name and his generals will appear in a visible place of the horizontal property and it will not be necessary for other names to appear.

Article 80. The Board of Directors will be responsible for complying with and enforcing the decisions of the Owners' Assembly in relation to the administration, maintenance, operation, security and conservation of common property and will also have the following functions and powers:

- 1 Represent the Assembly of Owners.
2. Consider the budget project and the income and expense report prepared by the administrator and the financial statements prepared by an authorized public accountant if they have been required to be presented at the annual ordinary session of the Owners' Assembly and recommend their approval or approval. rejection.
3. Give the authorizations for the works that the owners wish to carry out, in accordance with what is established in this Law.
4. Authorize any extraordinary disbursement not foreseen in the budget, which corresponds to a necessary and essential repair, urgently. , which does not allow observing the term established by this Law for a call for an ordinary or extraordinary Assembly for its approval ,and notifying the rest of the owners of this disbursement.
5. Receive the requests of the owners regarding the payment of the common expenses fees and propose for decision of the Owners Assembly individual agreements(_ ◆)

that benefit the collection of common expense fees, in accordance with the provisions of article 23.

6. Review the monthly balances on income and expenses presented by the administrator and send a summary, at least every six months, of these reports to all owners, with a copy of the bank statement and the bank reconciliation for the last month presented. Each Owners' Assembly may determine a reporting period shorter than that indicated.
7. Approve or reject the appointments and removals of the employees of the horizontal property proposed by the administrator, in accordance with the budget previously approved by the Assembly of Owners.
8. When necessary, contract the services of a legal professional with experience in horizontal property that facilitates its proper functioning and operation. In the event that the contracting of legal services is for a fixed fee, it must be included in the annual budget of the horizontal property.
9. When necessary, hire the services of an authorized public accountant, who must audit the books kept by the administrator and render an annual report at the Ordinary Assembly of Owners. In the event that the contracting of the services is for a fixed rate, it must be included in the annual budget of the horizontal property.
10. When necessary, hire engineers, architects and other suitable technicians required for the execution of works ordered or authorized by the Owners' Assembly and monitor their execution. In the event that the contracting of the services is for a fixed rate, it must be included in the annual budget of the horizontal property.
 11. Monitor the execution of works ordered or authorized by the Owners' Assembly.
12. Evaluate the quotes and budgets presented by the administrator for the purchase of goods or supplies or the contracting of services, based on the budget previously approved by the Owners' Assembly.
13. Approve or reject the contracts or agreements that the administrator intends to celebrate in relation to the functioning and operation of the horizontal property.
14. Resolve the complaints presented by the administrator in relation to the violations of the obligations that this Law, its regulations or the Co-ownership and Use Regulations, and take the measures it deems pertinent to restore order in the horizontal property.
15. It is enough that the Assembly of Owners does not decide otherwise, to initially elaborate and implement the Regulation of Use for the common goods, which later may be modified, approved or rejected by the Assembly of Owners.
16. Render a detailed report at the ordinary meeting of the Owners' Assembly on the functioning of the administration.
17. Address, in a collegial manner and at a meeting of the Board of Directors, the requests, complaints and suggestions of the owners that have not been resolved by the administrator or because of it.

18. Resolve conflicts that arise between the owners or between them and the administrator, or with any other personnel within the horizontal property, due to the use and enjoyment of the common goods or the private goods of each one.
19. Order the administrator to break down the collection of monthly common expenses to be deposited in the account corresponding to the Contingency Fund.
20. Address the requests of the Homeowners Assembly for the use of the
Assembly
Homeowners
21. Implement the biosafety protocols ordered by the corresponding authorities, necessary to preserve the health and safety of the occupants of the horizontal property.
22. Authorize the administrator to require the collection, by judicial or administrative means, of any debt of the owners.
23. Summon the Owners' Assembly to the annual ordinary session and the extraordinary session, when the circumstances so require.
24. Create support committees and designate the owners that make them up.
25. Establish the rules of its operation.

The Board of Directors is not authorized to waive fees for common expenses, this includes surcharges, fines and extraordinary fees.

Article 81. The funds from the administration must be deposited in the bank or banks determined by the Board of Directors, and this must determine who may draw on said accounts, which, in any case, must be more than one dignitary.

Article 82. The percentage of the fees for common expenses earmarked for the Contingency Fund must be deposited in a separate account in the bank or banks determined by the Board of Directors, and may only be drawn on this account, by authorization of the Owners' Assembly.

Article 83. The members of the Board of Directors shall not be personally, civilly, administratively or criminally liable for the actions they carry out in the exercise of their position and by mandate of the Owners' Assembly, in accordance with this Law. Likewise, The members of the Board of Directors may not be subject to civil precautionary measures of a personal nature or in their assets for the actions they carry out in the exercise of their position and by mandate of the Owners' Assembly, in accordance with this Law.

Article 84 Directors must meet in ordinary session, on the date indicated in the Co-ownership Regulations, in the place, time and date determined by the president.

In addition, it must meet in extraordinary session on any other occasion that the Board of Directors itself provides by resolution or when the president or the administrator deems it necessary.

Article 85. The calls for meetings of the Board of Directors will be made by the president or, failing that, by any member of the Board of Directors, and will be communicated through of a written document to the real estate unit or by any technological means, addressed to the electronic address or digital data indicated by each director, in a term not less than five days nor more than fifteen calendar days before the date of the meeting.

In the extraordinary sessions, only the matters that have been the subject of the call may be considered.


Article 86. To constitute *quorum* at a meeting of the Board of Directors, at least the personal attendance or by any validated technological means of more than half of all the directors will be required. The decisions of the Board of Directors will be taken by the affirmative vote of the majority of the directors participating in the meeting with the right to vote.

Chapter VII Functions of the Directors

Article 87. The functions of the president and, in his absence, of the vice president, are the following:

1. Hold and exercise the legal representation of the Assembly of Owners.
2. Preside over the meetings of the Assembly of Owners and the Board of Directors.
3. Call the meetings of the Board of Directors.
4. Summon ordinary or extraordinary meetings of the Owners' Assembly.
5. Convene an extraordinary meeting of the Owners' Assembly, when requested by at least an equivalent to 20% of the owners who are up to date in the payment of common expenses.. or at the request of any member of the Board of Directors or the administrator.
6. Issue, when requested, the certificates of peace and clearance of the quotas of common expenses, in a term not exceeding three calendar days.
7. Exercise the others that are indicated by this Law, its regulations or the Owners' Assembly.

Article 88. The functions of the secretary are the following:

1. Exercise the legal representation of the Owners' Assembly in the absence of the president and vice president.
2. Preside over the meetings of the Owners' Assembly in the absence of the president and vice president.
3. Act as secretary at the meetings of the Owners' Assembly and the Board of Directors.
4. Keep a book or record of the minutes of the meetings of the Owners' Assembly and another of the Board of Directors.
5. Call an ordinary meeting  .Extraordinary Assembly of Owners, in accordance with the provisions of this Law.

6. Extend, when requested, the certifications, of peace and safe, of the quotas of common expenses, in the absence of the administrator and the president, in a term not exceeding three calendar days.
7. Extend certifications.
8. Exercise the others that are indicated by this Law, its regulations or the Assembly of Owners,

Article 89. The functions of the treasurer are the following

- I.: Exercise the legal representation of the Homeowners Assembly in the absence of the president, vice president and secretary.
over the meetings of the Homeowners Assembly in the absence of the Preside
president, the vice president and the secretary.
3. Ensure the good management of the money and equity of the horizontal property and keep a book of income and expenses, as well as present an audited report annually.
4. Keep a detailed control of the deposits made to the Fund for Contingencies and, in the case of making withdrawals, ensure their proper management.
5. Submit the monthly balances of the Contingency Fund to the rest of the members of the Board of Directors.
6. Call an ordinary and extraordinary meeting of the Assembly of Owners in accordance with the provisions of this Law.
7. Issue, when requested, the certifications of peace and save of the fees of common expenses, in a term not exceeding three calendar days..
8. Exercise the others that are indicated by this Law, its regulations or the Assembly of Owners.

Article 90. The functions of the member are the following:

- I. Exercise the legal representation of the Owners' Assembly in the absence of the other members of the Board of Directors.
2. Preside over the sessions of the Owners' Assembly in the absence of all the other members of the Board of Directors .
3. Convene an ordinary and extraordinary meeting of the Assembly of Owners in accordance with the provisions of this Law.
4. Exercise the functions of any absent dignitary by appointment of the president.
5. Exercise the others that are indicated by this Law, its regulations or the Owners' Assembly .

Chapter VIII Administrator

Article 91. The administrator will be appointed by the Board of Directors, by majorityfair of the directors. This hiring must be registered in the Public Registry. If it is considered necessary and/or urgent, the Owners' Assembly in extraordinary meeting

, will order the Board of Directors changes in this designation by the favorable vote of not less than 51 % of the totality of the real estate units that are up to date in the payment of the quotas of common expenses.

The administrator may be a natural or legal person. In the case of a legal person, the respective legal representative or whoever takes his place will designate the person who will represent him in the functions of the administration.

In the event that a horizontal property has less than twenty real estate units, the appointment of an administrator may be dispensed with, a task that will be exercised by one of the dignitaries by agreement or decision of the Board of Directors.

Article 92. Whoever holds the position of administrator of a horizontal property must have a managerial profile, with knowledge in human resources and labor regime, conflict resolution, accounting and management of the horizontal property legislation and all those related to it.

The administrator may not be part of the Board of Directors, with the exception of horizontal properties that have less than twenty real estate units.

Article 93. The administrator shall have the obligations conferred by this Law, its regulations, those granted by the Co-ownership Regulations, the Owners' Assembly and the Board of Directors, as well as the following:

1. Ensure strict compliance with the provisions of this Law , the norms of the Regulation of Co-ownership and Use and the dispositions of the Assembly of Owners and of the Board of Directors.
2. Execute the ordinary and current tasks of administration and conservation, based on the budget previously approved by the Assembly of Owners, as well as carry out those that are urgent for the integrity of the horizontal property and undertake those ordered by the Assembly of Owners.
3. Ensure that order is maintained in the horizontal property, the destiny of the different real estate units is fulfilled and the sanitary, biosafety and conservation measures are observed.
4. Require owners to comply with their obligations and inform the Board of Directors about violations against them.
5. Represent the Assembly of Owners in all processes related to the collection, and those related to its administration, when approved by the Board of Directors.
6. Agree on the necessary contracts to carry out the ordinary and daily tasks of administration and conservation, which will be approved or rejected by the Board of Directors, always adhering to the provisions of the Co-ownership Regulations.
7. Celebrate the contracts approved by the Board of Directors or by the Assembly of Owners, necessary to carry out the ordinary and daily tasks of administration and conservation, adhering to the provisions of the Co-ownership Regulations and the budget approved by the Assembly of Owners.

8. Appoint and remove the employees of the horizontal property, based on the budget previously approved by the Assembly of Owners, unless the Board of Directors decides to exercise or supervise that function.
 9. Collect from the owners the fees for administration, conservation, maintenance, repair and modification of all common property, as well as manage the petty cash that may be assigned by the Board of Directors.
 10. Monthly notify the respective mortgage creditors of the delinquency of the real estate units of those who are four months behind in the payment of their common expense installments.
 11. Make a breakdown of the monthly collection of the common expenses fee to be deposited in the Contingency Fund, and prepare a monthly report to be presented to the treasurer and/or the Board of Directors.
 12. Order urgent repairs in the common areas of the horizontal property that affect the common areas or private real estate units.
 13. Ask the owners of the real estate units for urgent repairs on damages that affect another real estate unit or the areas or common property, proceeding in accordance with the provisions of article 29.
 14. Convene the extraordinary Assembly of Owners in accordance with what is established in this Law.
 15. Prepare the budget project and the report of income and expenses, during the fiscal year, which will be considered and presented by the Board of Directors in the annual ordinary session of the Owners' Assembly for its approval or rejection. .
 16. Keep a list of all income and expenses related to the performance of their duties and present the monthly balances. including the breakdown between the collection of the share of common expenses and that corresponding to the Contingency Fund.
 17. Assist the secretary or whoever is designated to exercise this function in the meetings of the Owners' Assembly and in relation to the registration of the minutes of the meetings of the Owners' Assemblies, when so decided by the Board of Directors or the Owners' Assembly itself.
 18. Extend, in the absence of the secretary, the corresponding certifications to the interested parties.
 19. Deliver copies of the minutes of the Homeowners Assembly to the owners, when they request them, within a term not exceeding three calendar days.
- the owner of the real estate unit, when requested at his expense, a copy of the Co-ownership Regulation and the Use Regulation.
- Providequotas of common expenses and other economic obligations with the horizontal property, in a term not exceeding three calendar days.
22. Deposit the funds from the fees for common expenses and the Fund for Contingencies in the bank or banks determined by the Board of Directors, under the name of the Assembly of Owners of the Horizontal Property followed by the name of the property or in the name of the one that appears the property registered in the Public Registry.

23. Deliver to the Board of Directors once the contractual relationship has ended all the documents of the administration and those that have been placed in its custody by it, which may include a book, minutes of the Board of Directors and minutes of the Owners' Assembly, account statements, correspondence, documentation related to bank accounts, documents from the administration and of the property. In addition, all those who were under his responsibility, of certificate of delivery signed by the administrator and a representative of the Board of Directors will be taken.
24. Any other function granted by this Law, its regulations, the Co-ownership Regulations or the resolutions of the Assembly of Owners and the Board of Directors

Article 94. The administrator must prepare the budget project and the report of income and expenses regarding the management of funds during The fiscal year, to be considered and presented by the Board of Directors in the annual ordinary meeting of the Owners' Assembly, for its approval or rejection, must contain at least:

1. Breakdown of the annual income and expenses of each account.
2. Delinquency list.
3. Breakdown of accounts payable.
4. Bank balance at the end of the period.
5. Projection of income, expenses and collection for the following year.

Article 95. The budget project and the income and expense report referred to in the previous article must be sent to each of the owners by the means provided for the calling of the assemblies, with no less than fifteen calendar days in advance. to the date of the meeting of the Assembly of Owners; If this requirement is not met, the meeting will not take place.

Article 96. The administrator will have the responsibility to know the scope of his functions and obligations and may not exceed or usurp functions or powers that correspond to the Board of Directors, Owners Assembly or competent authorities.

The administrator shall not be personally, civilly, administratively or criminally liable for the actions carried out in the exercise of his position and by mandate of the Owners' Assembly or the Board of Directors, in accordance with this Law. Likewise, he may not be object of civil precautionary measures of a personal nature or in his assets, for the actions carried out in the exercise of his position and by order of the Owners' Assembly or the Board of Directors, in accordance with this Law.

Article 97 The administrator and the The personnel in their charge must respect the rights of the owners or whoever has assigned the use of their real estate unit in any capacity and, in turn, personal issues are treated with due confidentiality and reserve.

Chapter IX
Committ
ees

Article 98. In multipurpose horizontal properties under the same Horizontal Property Regime, to simplify its administration, the creation of component committees will be allowed to coordinate the internal needs of its common areas. These will be elected at a meeting of the Assembly of Owners of their respective components and their validity will be determined in the Co-ownership Regulation.

Article 99. The Component Committee will be made up of, at a minimum, a coordinator and a secretary, for the purposes of convening and meeting, and may even appoint a sub-administrator if necessary, and this will respond to the main administrator. These committees must always respond to the Assembly of Owners and the Board of Directors.

Article 100. The Co-ownership Regulations may indicate a greater number of owners who may form these committees. In any case, the Board of Directors of the horizontal property must be made up of at least one member of each Component Committee, so that all uses are represented.

Article 101. The Component Committee will have the functions that are provided in the Co-ownership Regulations, in addition to the following functions and powers:

1. Represent its component in the Board of Directors of the horizontal property.
2. Advise the administrator on decisions related to the administration, use and conservation of the internal common property of its respective component, which must be recorded in the minutes.
3. Analyze the accounts and the administrator's report regarding its component, as well as recommend its approval or rejection before the Board of Directors.
4. Review the budget and the report of income and expenses that the administrator presents annually in relation to its component, for its approval or rejection.
5. Suggest and promote before the Assembly of Owners reforms to the Co-ownership Regulations that are related to the respective component, as well as prepare a Use Regulation for the best use of the assets and common areas of its component.
6. Verify with the Board of Directors that the administrator or sub-administrator, if any, complies with the agreements of the Owners' Meeting inherent to its component.
7. Give its recommendation to the Board of Directors for the contracting of services or execution of works necessary to maintain the goods and areas corresponding to its component in a good state of security, stability and conservation.
8. Hold ordinary and/or extraordinary meetings in person or by electronic means, as many times as the circumstances require, to deal with matters of interest to its component.

9. Prepare, together with the administrator, a budget proposal for the establishment of quotas for ordinary or extraordinary common expenses or propose modifications, inattention to the needs, use, maintenance and conservation of the common goods of its component, which It must be presented to the Owners Assembly for its approval or rejection.
- I 0. Report to the Board of Directors its observations on the administration of the horizontal property.
- ! I._ Inform the Board of Directors about situations related to the breach of obligations by the owners of its component.
12. Suggest to the Board of Directors the intervention of the competent authority, in the cases provided for in this Law or in those deemed necessary in relation to its component.
13. The others are established in the Co-ownership Regulation.

9. Date and time of start and end or suspension and restart, if it were to occur.

10. Signatures of those who acted as president and secretary of the Owners' Assembly.

The administration must communicate through a written document to the real estate unit or by any technological means, addressed to the electronic address or digital data indicated by each owner, a summary of the decisions adopted, within a period not exceeding three calendar days, counted from the date of the meeting.

The minutes must be issued within a period of no more than ten calendar days, counted from the date of the meeting, and will be delivered by the secretary or the administrator to the owners when they request it.

In the case of the meeting of the Owners' Assembly that is held through technological means, the secretary of the Board of Directors must keep a digital file as unequivocal proof of it.

Article 102. The Transition Committee will be a group made up of the first owners of the property in a number not greater than five nor less than three, who will be chosen by a simple majority of those attending at the first meeting of the Assembly of Owners. participate in making decisions concerning the property, while the management of theandforce, until the election of the first Board of Directors elected by the owners. This Committee must watch over the interests of the owners and the property.

Chapter X Proindivision

Article 103. The proindivision established by this Law is compulsory, and the owners may not agree to put an end to it or obtain a judicial division, except in the following cases:

1. For total destruction of the building.
2. Due to partial destruction, when the building has decreased in value by at least 66%.
3. By approval of, at least, 75 % of the total value of the horizontal property, as it appears in the table of values and percentages of! Co-ownership Regulation.

In the latter case,
the highest value of the appraisals carried out by two professional appraisers appointed and paid. by the Homeowners' AssemblyOne of these evaluators will represent the interests of the owners who did not agree with the decision made by the Homeowners Assembly.

Article 104. In the event that the building has been partially destroyed, if it decreases in value by at least 66% and the Owners' Assembly decides on its reconstruction, all owners must contribute in proportion to their rights, but if any are reluctant to fee, anytheir other of the owners or, failing that, any other person may acquire the part of the one that does not cover their contribution, prior judicial appraisal.

Article 105. Whenever the building threatens ruin, according to the Security Office of the Benemerito Fire Department of the Republic of Panama, the Assembly of Owners may order its reconstruction or its demolition, as well as the sale of the land and materials, through the favorable vote of not less than 75% of all the real estate units that in turn represent not less than 75% of the total value of the horizontal property, as it appears in the table of values and percentages of the Co-ownership Regulation.

In case of reconstruction, the owners who do not agree with said decision may not be forced to contribute, but the majority must acquire the minority share, according to a judicial appraisal or arbitral decision.

Article 106. When due to the occurrence of a sinister, duly certified by the Security Office of the Meritorious Fire Department of the Republic of Panama, it is required to collect the value of the insurance compensation, this will be affected in the first place to the reconstruction of the building, in the cases that are so agreed in the Owners' Assembly.

If the Assembly of Owners after the incident resolves by the vote of not less than 75 % of the real estate units, which in turn represent not less than 75 % of the value of the horizontal property, as it appears in the table of values and percentages of the Co-ownership Regulations, demolish the rest of the building and clean up the rubble or divide or sell the land, the amount of the insurance compensation will be divided among the owners in the proportion in which the corresponding premiums have been paid. Mortgage creditors will have the preferential right, conferred by law, before the owners of the building in the value of the compensation corresponding to each owner up to the concurrence of their credits, provided that the reconstruction of the building is not ordered, or if the reconstruction of the building is ordered, it does not start within ninety calendar days, counted from the date on which the Assembly of Owners agrees to the reconstruction.

The Homeowners Assembly must take the respective agreement within the fifteen business days following the date on which the compensation payment is verified, and the mortgage creditors will be notified within the following ten business days.

In all cases in which the disaffection of the Horizontal Property Regime is agreed, a resolution issued by the Ministry of Housing and Territorial Planning will be required, which will be protocolized together with the minutes of the Owners' Assembly by which said disaffection was approved. and will be raised to public deed and registered in the Public Registry.

Article 107. The horizontal property encumbered with a mortgage guarantee, which is subsequently acquired by several owners in accordance with this Law, may be divided among the different real estate units of these owners, as agreed between them and the credit institution.

The mortgage credit division dealt with in this article must be registered in the Public Registry.

Title VIII
Directorate of Horizontal Property

Article 108. The Ministry of Housing and Territorial Planning, through the Directorate of Horizontal Property, will know of all the procedures related to the Regime of Horizontal Property and will have among its functions the following:

1. Receive and resolve the requests for the constitution of the Horizontal Property Regime on one or several farms.
2. Review and approve the co-ownership regulations of the farms to be incorporated into the Horizontal Property Regime and their respective reforms, in accordance with the established requirements.
3. Answer technical and legal queries, verbal and written, related to the Horizontal Property Regime, and issue the corresponding certifications.
4. Serve as an instance of guidance and conciliation in the face of conflicts that could arise between owners, or the Board of Directors or the administrator of real estate units incorporated into the Horizontal Property Regime.
5. Require the Board of Directors or the administrator, registered in the Public Registry, the audited report on its management, at the request of 20 % of all the owners, provided that the petitioners demonstrate that their real estate unit is up to date in the payment of the quotas of common expenses of the projects incorporated to the Horizontal Property Regime.
6. Require the Board of Directors or the administrator, registered in the Public Registry, an updated report on the deposits to the Contingency Fund, at the request of 20% of all the owners, who in turn are up to date in the payments of common expense fees.
7. Verify the form and content, prior to their registration in the Public Registry, of the sessions, minutes and resolutions of the Owners' Assembly and the Board of Directors in accordance with the provisions of this Law, its regulations and the Regulations of Co-ownership.
8. Know and resolve requests in relation to the qualification of certain additional improvements as sumptuous.
9. Know and resolve complaints in relation to the decisions of the Owners' Assembly, the Board of Directors and the administrator, in order to comply with this Law, its regulations and the Co-ownership Regulations, and their decision will be binding.
10. Issue the resolutions approving or not the disaffection of the Horizontal.
11. Ensure compliance with this Law.
12. Punish, when deemed appropriate, those who fail to comply with the provisions of this Law or the respective regulations. The penalties established will have a minimum of five hundred balboas (B/.500.00) and a maximum of five thousand balboas (B/.5,000.00).
The Executive Branch will regulate this matter.
13. Train the owners, administrators and promoters in all regulations regarding the Horizontal Property Regime.

14. Dictate and temporarily order measures in horizontal properties, when there are flagrant violations of the rights enshrined in the Political Constitution and the laws of the Republic.

15. Any other conferred by this Law and its regulations.

The competence assigned to the Ministry of Housing and Territorial Planning for the knowledge of the situations described in this article is without prejudice to the provisions of the Judicial Code in matters of jurisdiction and competence.

Title IX Resolution of Conflicts

Article 109. All disputes relating to the Horizontal Property Regime, except for the exceptions established in this Law, will be the jurisdiction of the ordinary jurisdiction, according to the rules of jurisdiction established by the Judicial Code. For the purposes of processing the collection of common expense fees, the justices of the peace shall have jurisdiction up to the amount established by law. In such a case, these administrative police authorities must apply the procedure corresponding to executive processes for minor amounts, and are empowered to order kidnappings against the delinquent at the request of a party, without the need for security and up to the amount established.

Interested owners may choose to submit to arbitration processes.

The justices of the peace will have jurisdiction to hear and resolve situations or disputes that arise within the horizontal property between the owners and *b* these with the administrator.

Article 110. The Judicial Branch may create specialized courts, which will hear exclusively about horizontal property and the regulations established in this Law, attending to the rules of jurisdiction through summary procedures. These courts will be progressively established throughout the Republic. In the same way, once created, they will have competence to collect common expenses regardless of the amount. The State will provide the Judicial Branch with the budgetary resources required for the operation of these specialized courts.

Article 111. Actions against decisions of the Owners' Assembly, Board of Directors and/or administrator prescribe within three months, counted from their publication, delivery to the owners or their registration in the Public Registry, if applicable.

Title X Supplementary Provisions

Article 112. Without prejudice to complying with the provisions contained in this Law, aspects related to the creation, alienation, modification, constitution of real rights and registration of assets subject to the Horizontal Property Regime shall be governed by the common law regulations,

Consequently, the limitations, restrictions and encumbrances that affect real estate incorporated into the Horizontal Property Regime are recognized without prejudice to the denomination that the parties give to the contract by which the property is alienated, as well as to the promise of sale, leases with purchase option, real estate lease (*real estate leasing*) or any other transaction that affects the ownership of the property.

Article 113. The Horizontal Property Regime will be applied to projects of social interest, in direct benefit for the State and the community. The State will regulate the matter to guarantee the social accompaniment of the new owners of this type of housing in terms of leadership, community organization and education on the legislation of horizontal property, health, safety, healthy coexistence and preventive maintenance of the facilities.

Article 114. For the transfer of a real estate unit registered under the Horizontal Property Regime, the owner or acquirer of this must submit written evidence to the notary public, such as the certificate of peace and safe with the horizontal property signed by whoever has been duly authorized for it in the law or the Co-ownership Regulation.

This certification will also be necessary in case of adjudication by judicial auction and will be issued by the administrator or in accordance with the hierarchical order of dignitaries established in this Law. The certification must be required by the notary public for its protocolization in the respective deed.

In the absence of the Assembly of Owners, Board of Directors or administrator for a period of more than five years, the orders issued by the Judicial Organ or the Public Ministry will be registered, without the need for peace and except as referred to in this article,

Article 115 will inform, monthly and in writing, the mortgage lending institutions or in trusts about the real estate units that are two months or more behind in the payment of their administration, conservation and maintenance fees for common property. and who will be obliged to receive the notification and act in accordance with the clauses of the mortgage contract. If the foregoing is fulfilled, once the real estate unit is auctioned, the responsibility for payment of delinquent installments and other economic obligations will fall on its mortgage creditors. If this is not the case, if the real estate unit is auctioned off by the mortgagee, the unit will assume responsibility for the payment of delinquent common expenses. Mortgage creditors or trustees may include in their monthly payments the fees for common expenses as an integral part of these to be remitted to the administration of the horizontal property.

Article 116. The usufruct of the common areas and facilities of the property, such as the lobby, stairs, corridors, elevators, transformers and main electricity lines, pumps and water tanks, main and common water pipes, gas, fire-fighting systems, social areas, gardens, swimming pools, among others, is inseparable and indivisible from the payment of the corresponding common expenses by each owner.

Article 117. In the promise of purchase and sale contracts of commercial or mixed real estate units under the Horizontal Property Regime, it will be mandatory to announce if the roof will be or not for common use, the roof terraces may be for the exclusive use of some real estate units, to the exclusion of other units, and it must be specified which are the real estate units entitled to use them and included in the promise of purchase and sale contracts. trading. If this information is omitted, the roof will be the common property of all the real estate units that make up the horizontal property, with direct access from the common areas.

Similarly, in the initial registration of the horizontal property and in the Co-ownership Regulations it may be established that the roof terraces belong to a certain real estate unit, in which case a value and a percentage of participation will be assigned and its owner must pay the respective share of common expenses.

If the roof in commercial or mixed projects is reserved by the promoter or initial owner for future construction or installation, it must comply in advance with urban development regulations, such as density, parking, destination or use and others. In addition, you must have the respective authorizations.

Title XI Additional Provision

Article 118. Article 2-A is added to Law 45 of 2007, as follows:

Article 2-A. Concept. Legal entities including corporations, private interest foundations, non-profit associations, limited liability companies, among others, are considered consumers, provided that they acquire goods and services as the final recipient in a consumer relationship.

Title XII Final Provisions

Article 119. If the members of the Board of Directors or the administrator fail to comply with the obligations set forth in this Law and its regulations or if they incur in an irregular management of the owners' fees or the funds of the horizontal property, they will be temporarily or permanently disqualified from the position. This disqualification will be made in accordance with the decisions of the Horizontal Property Directorate or the corresponding jurisdictional or arbitration authorities.

The Ministry of Housing and Territorial Planning will regulate the administrative procedure for the application of this article.

Article 120. In the promise of purchase by the promissory buyer and the promissory seller, in the case of new homes, without prejudice to the requirements demanded by the consumer protection legislation, the following must be included:

1. Detail of the meters that, effectively, it would have the real estate unit, regardless of its participation in the common areas.

2. Description and ownership of the land on which the building or buildings will be built.
3. Number of parking spaces to which the real estate unit would be entitled.
4. Detailed information of the reserves that the promoter will impose in the Co-ownership Regulation on basements, facades, easements and others. The reserves that may be established on private areas already built, may also be established on adjacent land to continue with future stages of horizontal property. The promoter will be allowed to advance them, assuming that the minimum required by the urban development regulations has been met. The promoter may not impair the rights to private property offered to the buyer.
5. In the case of agreeing an economic charge for the period between the delivery and the constitution of the property title on the real estate unit, clearly that said charge may not be greater than 1% of the unpaid balance of the agreed price nor should it exceed a maximum of three months counted from the delivery, unless the lack of constitution of the property title on the real estate unit is due to a cause attributable to the promissory buyer or its mortgage process, and it will only be effective when the following circumstances occur:
 - a. The occupancy permit has been obtained.
 - b. The real estate unit has been delivered with its corresponding keys, which must be recorded in the corresponding delivery certificate in accordance with the promissory buyer.

For this purpose, the respective real estate unit must be suitable for permanent habitation. For the purposes of this article, it is understood that the buyer may not refuse to receive the property as long as the unit is habitable as a whole, and if there are exceptions that do not imply an amount greater than 1% of the value of the property, the seller must carry out the corresponding corrections in a period not exceeding thirty calendar days.

The real estate unit will be understood as delivered if the buyer actually occupies it.

This article will be applicable to all new homes, whether or not they are incorporated into the Horizontal Property Regime, and their management will be the responsibility of the Authority for Consumer Protection and Defense of Competition, which will be competent to impose sanctions in the event of any infraction of this article, which will be imposed in accordance with the amounts and procedures of Law 45 of 2007 and its regulations,

Article 121. For the calculation of the areas of the real estate units, the area occupied by the columns within the respective real estate unit, the eaves, and exterior slabs that carry some equipment or installation that serves the real estate unit, as well as the area occupied by the exterior walls, since, despite being common parts of the building. They provide a direct service to the respective real estate unit.

Article 122. All co-ownership regulations approved under the previous legislation will remain in force in what is not contrary to this Law, and the Owners' Assembly is granted a term of one year, counted from the entry into force citadel)a

this Law, to request the Ministry of Housing and Territorial Planning the approval of the reforms to the regulations to adapt them to this Law.

The Public Registry does not will suspend the registration of documents related to this Regime for not having registered the reforms of the co-ownership regulations.

Once the term of one year expires, without having adapted the Regulations in accordance with the provisions of this Law or without having submitted a request in this regard, all articles of the Regulations that contravene or are contrary to the provisions of this Law are repealed as of right. Article

123. The Executive Organ, through the Ministry of Housing and , will regulate this Law

Territorial . October 31, 2007.

Article 125. This Law will take effect from its enactment.

COMMUNICATE AND FOLLOW.

Project 582 of 2021 approved in the third debate at the Justo Arosemena Palace, Panama City, on the nineteenth day of the month of January of the year two thousand and twenty-two.

The President,

