

BANKING & FINANCE

ABOGADOS-ATTORNEYS AT LAW



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BANKING AND FINANCE

ICAZA, GONZALEZ-RUIZ & ALEMAN has been able to accumulate invaluable expertise that benefits our international and domestic clients. Being sensitive to the domestic legal, regulatory and cultural considerations we are regularly assisting financial institutions that wish to operate from Panama, assisting with advise on all regulatory and compliance issues, establishment, corporate structure, capital adequacy, registrations, licenses for conducting the various types of financial activities and for individuals to practice regulated finance related professions. Our clients include among others commercial and investment banks, multilateral organizations, government agencies, investment houses, accountant firms, insurance companies, fund managers, corporations and trusts.

Panama has founded the independent Superintendence for the Banking Industry (www.superbancos.gob.pa) that supervises this sector. Further, since 1993 Panama ratified international treaties and introduced new laws relating to money-laundering and financial crime. It established “due diligence” requirements to prevent banking operations from being carried out with funds obtained from drug-related illegal activities. It also requires banks to properly identify their clients and to keep records of transactions. This legal structure against money laundering has been consistently modernized in order to adjust to international standards and has allowed the country to further upgrade its status as a widely accepted jurisdiction and a developed financial centre.

Our financial regulation specialists remain close to the regulatory processes, having often participated by submitting expert opinions, including matters related to the implementation of international standard forms and structured instruments to the domestic regime. We participated in the introduction of ISDAs as well as the implementation of legislation on leasing finance following which we have acted for the leasing industry. On another occasion we prepared, at the

request of the Ministry of Economy and Finance, a project of Law amending the current Law governing the Social Security fund, as to increase its capitalization. Further, we advise on official banks practices, prevention and resolution of disputes at the Regulatory Authority and draft standard terms of business and implement them in accordance to Panamanian laws. We have also offered advisory services to our banking clients in relation to their private banking practices and their internet products and services, in coordination with our IT and Communications.

Our expertise also covers the area of Mergers and Acquisitions. A recent deal that we led was advising the Banco Cuscatlan (group UBC), on the merger by absorption of Panabank to their group, creating the largest financial group in Central America, listed on the Madrid Stock Exchange. This involved regulatory approvals, stock swaps, and new share issues.

We further acted for the same client, on their acquisition of the Panamanian operation of the UK bank Lloyds TSB through an assets-purchase agreement.

A core area of practice is lending and we have acted for both lenders and borrowers, either private entities or governmental, in a variety of loan facilities and purposes, including acquisitions, asset finance, project finance and restructuring following insolvencies. Our transactional expertise allows us further to advise on trade finance for a range of corporate clients.

For Dell Panama (subsidiary of Dell Inc.), we structured the vehicles that were used to channel the financing for the development of their call-centre within the new Special Economic Zone in what has been recognized as a key deal for the telecommunications sector. We were able to ensure a most commercially advantageous deal for our client, securing all public backing, negotiating the terms for the credit facility and related insurance issues.

Property and project finance is another area of strength since we have ample expertise in a variety of sectors, including leisure, big infrastructure, industrial plants and residential property

finance. We have advised clients including real estate investment trusts on mortgaging and real estate finance as well as a broad range of capital market products for asset and project financing.

Our expertise in power projects financing has helped us to advise the Boston Bank on the financing of a public bid winner for the construction of an electricity plant, using a combination of asset-backed and accounts receivables finance.

Our team has further the capability to assist lenders on the enforcement of security.

Our clients included Citibank, HSBC, The International Commercial Bank of China, Banco International De Panama (now Banistmo), Global Bank Co, and Banco International de Costa Rica, among others.

CAPITAL MARKETS

Our capital markets practice is able to provide integrated and expert services to our clients in matters relating to their capital raising activities. The firm has been involved in a wide variety of deals of secured and unsecured financing, from debt and equity to structured facilities; have acted for managers, investors, selling shareholders, issuers, debt providers and trustees. Our clients vary from banks and multilaterals such as the International Finance Corporation to private funds, consortiums or emerging businesses. We have documented a wide range of debt and equity offerings, as well as bonds including equity-related debt.

ICAZA, GONZÁLEZ-RUIZ & ALEMÁN expertise includes transactions on various asset-backed facilities secured on a variety of assets as property, insurance, concessions, lease, trade and account receivables, often documenting innovative structures as well as traditional ones. Our



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dominant position in our field allowed us to act for high profile clients such as the Bank of Boston whom we advised in relation to a loan facility offered to the successful bidder for an energy plant project. This involved receivables and other asset-backed securities.

The team can also provide advice on property finance and has handled real estate mortgage loan securitizations and other products, for various industries, finance houses and institutions for investment or development.

In this context, we advised Citibank on a real estate secured credit facility to a key player in the petroleum products distribution of the country.

We also represented the same bank in their participation as fiduciary, on a syndicated credit facility that involved bond issues, advanced to an international corporation involved in power generation.