Próspera ZEDE Strengthens Its Institutions

Swearing-in of new public officials and a verifiable record of enforcing the law and high-paying job creation



The new public officials of Próspera ZEDE following the promise of office on September 5, 2026.

Roatán, Bay Islands. On Saturday, September 5, the Technical Secretary of Próspera ZEDE, Jorge Constantino Colindres, administered the oath of office to the new public officials appointed by the ZEDE Management. Each took office with the promise required by Article 322 of the Constitution of the Republic of Honduras: "I promise to be faithful to the Republic and to comply with and enforce the Constitution and the laws." With this, the zone completes the structure of officials responsible for applying its special legal framework.

The ceremony concludes a process of institutional ordering begun in 2022 and set down this year in a single consolidated instrument: Administrative Action §6-1-06-24-26-07. That instrument was proposed by the Technical Secretary, promulgated by the ZEDE Management, accepted by the Acting ZEDE Manager, Derek Khanna, and published on the transparency portal in accordance with Article 7 of the ZEDE Organic Law.

"I promise to be faithful to the Republic and to comply with and enforce the Constitution and the laws."

ARTICLE 322 OF THE CONSTITUTION OF THE REPUBLIC OF HONDURAS

I. THE OFFICIALS SWORN IN

The following took office before the Technical Secretary:



Promise of office before the Technical Secretary.

Alberto Andrés Hernández Franks

Civil Prosecutor of Próspera ZEDE

Heads the Office of the Civil Prosecutor. He is an attorney licensed to practice in Honduras and in the State of New York. He represents the zone in civil claims and complaints, in applications for injunctive relief, and in arbitral litigation aimed at securing compliance with the rules and recovering penalties and debts before the Próspera Arbitration Center. His office already holds the record of cases detailed below.

Darwin Alexander Reyes Damas

Compliance Inspector of Próspera ZEDE

Responsible for administering the Regulatory Compliance Policy. Reyes, a law student and native of Roatán, approves residency applications and controls entry into the zone. He verifies that workers and permanent or recurring residents have passed the criminal background check required by the legal framework before entering, and directs the security provider in matters of access control. He also conducts inspections of general safety, environmental protection, occupational health, fire prevention, and labor rights at any facility or operation in the zone; he issues notices of non-compliance and refers cases to the Civil Prosecutor, to the sanctioning authority or, where appropriate, to the Police or the competent prosecuting authority.



Promise of office before the Technical Secretary.



Promise of office before the Technical Secretary.

Dr. Osman Eduardo Aguilar Herrera

Commissioner of the new Próspera ZEDE Health Services Authority

He is a Doctor of Medicine and Surgery from the National Autonomous University of Honduras and holds a Master in Business Administration with a concentration in Hospital Management from UNITEC. A member of the Honduran Medical Association, he has more than a decade of university teaching in the health sciences and experience as academic coordinator of pre-hospital medicine. His co-signature will be required for every license and permit in the Health Industry. He will coordinate compliance audits of the medical companies established in the zone and manage the inter-institutional relationship with the Ministry of Health, the Health Regulation Agency, the Honduran Medical Association, and peer regulators abroad.

Anibal Noé Barahona Sierra

Building Inspector of Próspera ZEDE

He is a civil engineer from the National Autonomous University of Honduras and a member of the Honduran College of Civil Engineers (CICH), with more than fifteen years of experience in construction supervision and project management on hydroelectric, penitentiary, industrial, and commercial projects in Honduras, and since 2022 a supervising project engineer in Roatán. His co-signature will be required for construction permits and for the Authorization to Build, and he is responsible for administering the standards of reasonable care for the Construction Industry.



Promise of office before the Technical Secretary.

> All four hold the status of ad hoc Secretary under Article 12, paragraph 8, of the ZEDE Organic Law, by which the National Congress granted the Technical Secretary the power to "appoint ad hoc Secretaries to assist him in the administration of the Employment and Economic Development Zone (ZEDE)." By virtue of that status they are public officials, subject to the administrative law applicable within the zone.

Derek Khanna

Tax Commissioner of Próspera ZEDE

To these is added the formalization of the Acting ZEDE Manager as Tax Commissioner. He is a graduate of Yale Law School, named to the Forbes 30 Under 30 list in law and policy, with prior experience in the United States Senate and House of Representatives, at McKinsey & Company, and at the law firm Fenwick & West. Khanna assumes the authority to administer, assess, and collect taxes and fees within the zone, including the power to issue Binding Practice Notes and to authorize collection litigation.



Promise of office and ratification of the appointment of the Acting ZEDE Manager, April 7, 2026.

II. LAW ENFORCEMENT IN PRÓSPERA ZEDE: AN INSTITUTIONAL TRACK RECORD

The offices now formally constituted were already enforcing the law, with verifiable results.

The "Seshat Case": early supervision, intervention, and forced liquidation

Seshat was authorized in 2022 solely to operate in a limited test environment, without permission to serve the public, with an annual cap on funds, and with the requirement that each client accept in writing the risk of loss above the regulatory insurance coverage. Under special supervision since 2023, the Roatán Financial Services Authority (RFSA) assigned an auditor in June 2024 upon detecting an increase in the funds under management and, when in July the entity announced its voluntary closure, ordered it to return all client money in full. In October the RFSA detected irregularities in the documentation submitted and removed the liquidator the entity had appointed; in December it reiterated the return order, which the entity again disregarded. Following the audit report of January 2025, the RFSA intervened the entity and declared its forced liquidation on January 18, 2025.

On May 20, 2025, the Civil Prosecutor filed formal complaints against the person responsible, United States citizen Sean Gordon Pawley, sole administrator of the entity, with the Federal Bureau of Investigation, the Financial Crimes Enforcement Network, the Department of Justice, the Securities and Exchange Commission, and the Office of the Attorney General of the State of Delaware. The acts were committed from the United States, by a United States citizen and to the detriment of another United States citizen. No savings of the Honduran public were affected, and the irregularity was discovered by the zone's own supervision, not by third parties.

Tax intelligence and enforced collection

43
tax collection proceedings initiated in 2025

USD 131,000+
in enforceable obligations identified

USD 54,112
tax lien against Minicircle Próspera LLC

During 2025 the Civil Prosecutor initiated forty-three tax collection proceedings, several of them before the Próspera Arbitration Center, which identified more than USD 131,000 in enforceable obligations, of which approximately half has already been effectively collected. The tax lien against Minicircle Próspera LLC alone amounts to USD 54,112. Several of these proceedings arose from intelligence generated by the RFSA's compliance audits, which detected discrepancies between what was declared and what was owed. That cooperation between financial supervision and tax enforcement is the model the new framework formalizes.

Injunction against Minicircle Próspera LLC

At the request of the Civil Prosecutor, on December 22, 2025, the Próspera Arbitration Center granted the zone a comprehensive preliminary injunction that enjoins unauthorized operations, requires compliance with insurance and financial responsibility obligations, restrains the dissipation of assets, including cryptocurrency wallets identified by financial supervision, and orders the preservation of records. The enforcement action was taken after the company's unjustified refusal to pay Income Tax and Value Added Tax and to answer the information requests of the zone's authorities.

Halting of unauthorized construction works



August 2025: access control at the site of the unauthorized works.



On-site verification following the access restriction order.

In August 2025, in response to works begun within the zone without a Qualified Insurance Policy or an Authorization to Build, the internal authorities of Próspera ZEDE issued a Cease and Desist Notice with a twenty-four-hour deadline. When it went unheeded, the following day the Civil Prosecutor applied to the Próspera Arbitration Center for a temporary restraining order, and the Management issued an order restricting access to the site, with express instructions to use only reasonable, lawful, and proportionate means. The works remained halted for three months, until the responsible party submitted the insurance policy and the required environmental mitigation plan. Notice, cure period, application for injunctive relief, and peaceful self-help: exactly the sequence prescribed by the Compliance Policy.

Rejection of unsuitable applications and compliance audits

In 2025, licenses and authorizations were granted to seven entities in the Roatán International Financial Center. In the same period, the Próspera Insurance Company rejected an application for regulatory insurance for money transmission for presenting unreliable credit risk ratings, and the RFSA denied admission to the financial center to two entities for lacking sufficient anti-money laundering systems. The RFSA also completed a compliance audit of a digital asset brokerage licensed in the financial center, an operator of Bitcoin ATMs in Roatán, to verify its continued adherence to the conditions of its regulatory insurance policy. A regulatory framework under which licenses are granted, audits are conducted, and applications are denied builds trust and preserves the integrity of the system.

III. HIGH-PAYING JOB CREATION AND PROTECTION OF LABOR RIGHTS

An environment governed by the rule of law and a public administration committed to national development have produced, in Próspera ZEDE, a system of labor rights protection and the creation of high-paying jobs. Article 35 of the ZEDE Organic Law obliges the zone to guarantee workers' rights in accordance with the international labor treaties concluded by Honduras and the provisions of the International Labour Organization, and requires labor disputes to be resolved through mediation, conciliation, and arbitration, pursuant to Article 139 of the Constitution.



Workers of the Beta District of Próspera ZEDE, Roatán, Bay Islands, Republic of Honduras.

> *"The Employment and Economic Development Zones (ZEDE) are obliged to guarantee the labor rights of workers within the parameters established by the international labor treaties concluded by Honduras, as well as the provisions issued by international bodies such as the International Labour Organization (ILO)."*
>
> Article 35 of the Organic Law of the Employment and Economic Development Zones (ZEDE), Legislative Decree No. 120-2013

The Labor Relations Inspectorate

Technical Secretary of Próspera ZEDE, Labor Relations Inspector

Under Section 3(e)(1) of the Próspera Labor Statute, the Technical Secretary is the Labor Relations Inspector of the zone, with authority to request evidence of compliance with the Statute from any employer and to inspect its premises. The Inspectorate provides the following services:

- **Labor statistics:** periodic surveys of employment, wages, and payroll in the jurisdiction.
- **Legal advice and onboarding:** advisory sessions for workers and onboarding sessions for employers' human resources departments, delivered by the Compliance Inspector.
- **Labor conciliation:** conciliation hearings between employers and employees for the amicable settlement of differences before any litigation.
- **Labor advocacy:** legal representation of low-income workers before the Próspera Arbitration Center, provided by the Civil Prosecutor.
- **Inspections:** verification of employers' premises and requests for evidence of compliance.

Between 2025 and 2026 the Inspectorate handled inquiries and claims from at least four employers and more than a dozen workers: written guidance on maternity leave at an employer's request; mediation hearings over the termination of a contract; the reclassification as employees of a group of workers hired as contractors, with the constitution of their Labor Benefit Fund; a complaint over working conditions resolved with the employer within days; individual advice to former employees; and coordination with the Ministry of Labor in La Ceiba in a case in which a worker chose the national route. Under its rules, labor proceedings before the Próspera Arbitration Center are resolved in under three months.

The labor surveys

January 2023, June 2024, and March 2026



Workers at Pristine Bay, Próspera ZEDE, Roatán, Bay Islands, Republic of Honduras.

Direct employment verified against payroll went from 607 jobs to 950 and then to 409. The entire decline between 2024 and 2026 corresponds to the halt of construction following the Supreme Court ruling of September 2024 (see the final note): that sector went from 565 jobs to none. Excluding construction, direct employment grew in every survey, from 269 to 385 and to 409 jobs, led by tourism and by professional, real estate, and financial services. Applying indirect employment multipliers, the zone's activity sustains between 974 and 1,241 jobs in Roatán. The average wage rose

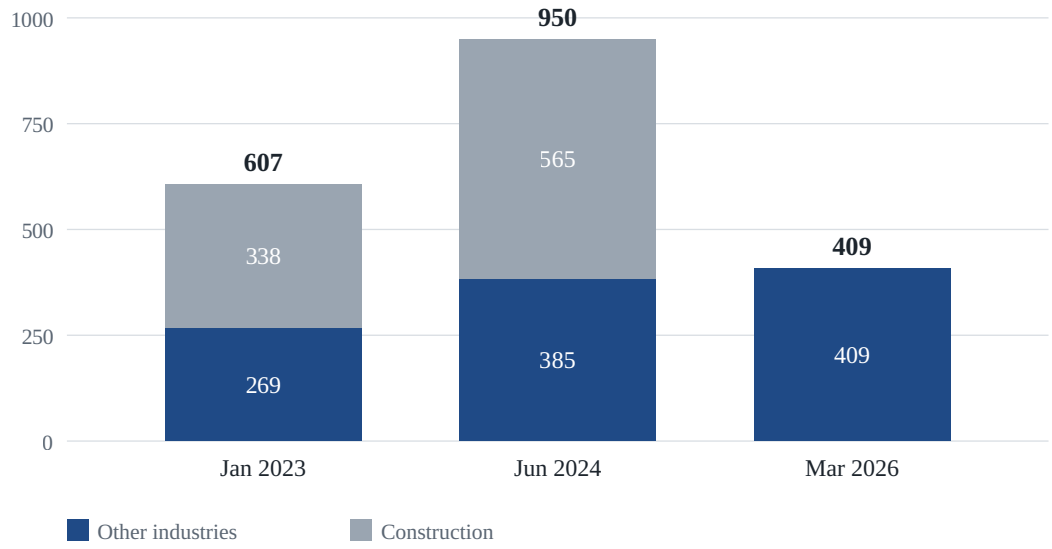
38 percent between 2024 and 2026, to US$ 1,129.78 per month, 2.46 times the pay of the same sector in the national private sector.

409
direct jobs verified against payroll, March 2026

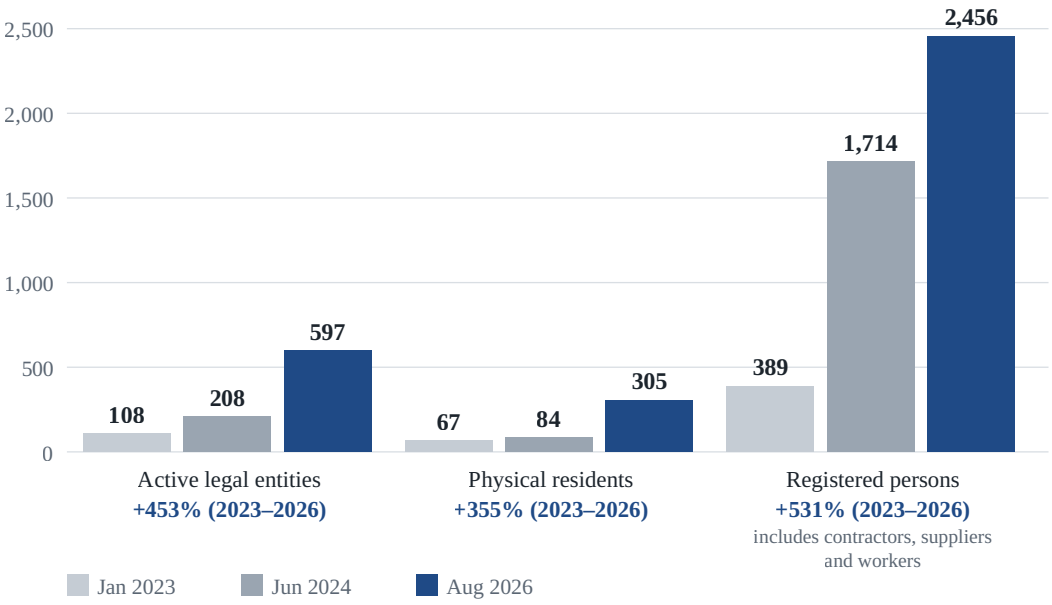
US$ 1,129.78
average monthly wage, 2.46 times the national comparator by sector

2,456
persons registered in the zone, August 2026

Verified direct employment by sector



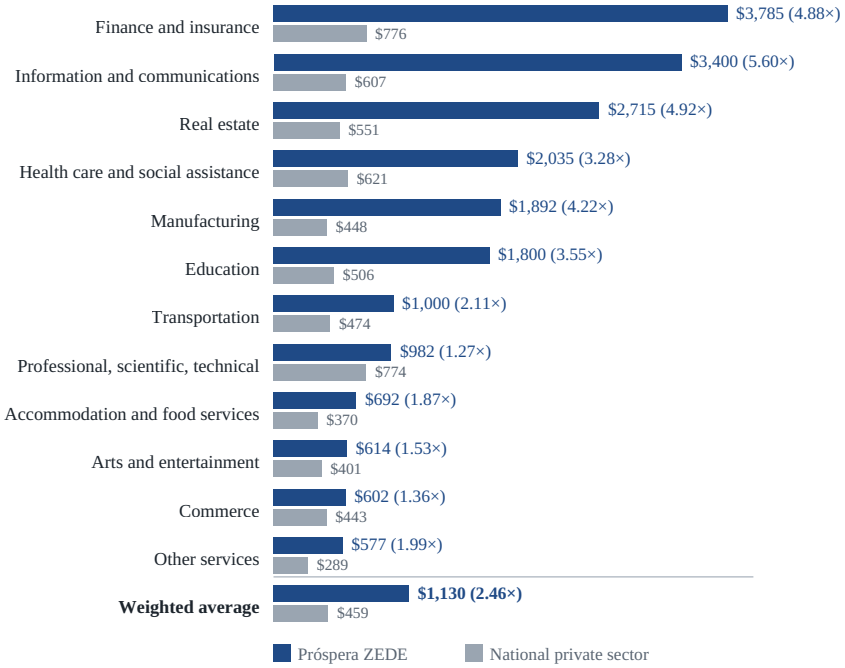
Registry growth, 2023 to 2026



Item	January 2023	June 2024	March 2026
Direct employment	607	950	409
Indirect employment (2024 multipliers)	1,608	2,530	832
Total employment	**2,215**	**3,480**	**1,241**
Total employment (updated 2026 methodology)	2,004	3,181	974

Source: Labor Surveys of the Labor Relations Inspector. Indirect employment estimated by sector on an upper-bound basis, from coefficients of the Honduran economy (BCH, 2024 Supply and Use Table; INE, Household Survey; ECLAC, LC/TS.2019/123) and international sector references (ILO/ UNWTO 2014; CDC Group 2019; EPI 2003; UNIDO 2025; ONS 2025). Weighted coefficient 2026: 1.38. Sector detail in the methodological annex.

Average monthly wage by sector, March 2026 (US$)



Source: Labor Survey of the Labor Relations Inspector, March 2026 (24 companies). National comparator: National Institute of Statistics (INE), LXXXIII Permanent Multi-Purpose Household Survey, private sector, July 2025. Exchange rate L 26.5923 per US$ 1.00. Averages weighted by direct employment.

CONCLUSION

A state governed by the rule of law is recognized by three things: clear and accessible rules, officials with defined powers who are subject to control, and effective enforcement of the rules when someone fails to comply. The formal investiture of the new officials marks a milestone in the administrative institutionalization of Próspera ZEDE: it puts a name and a face to those charged with ensuring compliance with the special legal framework applicable in the zone.

The record of cases attests to a culture of law enforcement. And the labor data show what all of it is for: a system that protects workers' rights in accordance with the conventions of the International Labour Organization, resolves their disputes in weeks, and sustains jobs that pay two and a half times the national average for their sector. Próspera ZEDE reaffirms its commitment to effective supervision, responsible innovation, high-paying jobs, and compliance with the Constitution and the laws of the Republic.

Note: The Legal Framework of the Employment and Economic Development Zones Remains in Force

The State of Honduras guaranteed the legal stability of Próspera ZEDE for fifty years. The Constitution of the Republic provides that ratified treaties form part of Honduran domestic law (Article 16) and prevail over statute in case of conflict (Article 18). Treaties such as CAFTA-DR and the Honduras-Kuwait Bilateral Investment Treaty, which expressly guarantee fifty years of legal stability to ZEDE investments and investors, remain in force and are the law of the land in Honduras. That guarantee was further instrumented, pursuant to Article 45 of the ZEDE Organic Law, in the Legal Stability Agreement executed by the State of Honduras, in force through 2064.

The ruling of the Supreme Court of Justice of September 20, 2024, published on November 25, declared Decrees 236-2012 and 120-2013 unconstitutional, with seven justices dissenting. Próspera ZEDE was not a party to that proceeding, and the ruling did not dissolve it or annul any rule, title, or contract, because it is incapable of doing so. Under Articles 185 and 316, paragraph 2, of the Constitution, a declaration of unconstitutionality derogates a law for the future and leaves consolidated legal situations intact. This legal reality is further reinforced by Article 94 of the Law on Constitutional Justice, which provides that a ruling of unconstitutionality does not affect legally settled and executed situations. Consequently, Próspera ZEDE remains in force under Honduran law, a fact confirmed by the reality on the ground and by independent legal assessments from prestigious firms such as Dentons and Deloitte, and by renowned Honduran constitutional scholars.