

Key Facts Foundations

The Panama foundation has emerged in recent years as a viable civil law based legal structure for international private wealth and corporate planning. The Panama Foundations Law, enacted in 1995, builds on the experience of the foundations laws of a number of European civil law jurisdictions.

Given its competitive cost structure and the wide use of English among local professionals, use of Panama foundations has broadened beyond civil law based advisors, to include an increasing number of professional intermediaries operating in common law jurisdictions.

Establishment

- A Standard foundation Charter can be used.
- Optional use of Standard foundation Regulations.
- Charter and Regulations can be tailored to client's requirements.
- Minimum Assets to be transferred to the foundation to satisfy statutory requirements is US\$10,000.
- Establishment by registration of the Foundation Charter with the Panama Public Registry.
- On establishment a separate legal persona comes into existence.

Purpose

The foundation cannot be used for commercial purposes but it can hold shares in a company which itself is engaged in a commercial activity.

Governance

- A Foundation Council is responsible for the management of the foundation.

- The Council consists of a minimum of three individuals. A company also can act as the sole member of the Foundation Council.
- The Foundation Council is responsible for preparing financial statements if required by the Charter or Regulations.

Founder Rights

- Disclosure in the Charter of the Founder's identity is required. Nominee Founders can be employed.
- The Founder can retain a right of revocation or assign that right to the Foundation Council.
- The foundation can be irrevocable.

Protectors

- Foundation law recognises the office of Protector to supervise and if necessary intervene in the conduct of the Foundation Council.
- Protector can also be given veto rights over Foundation Council decisions.

Forced Heirship

Rights of forced heirship are not recognised with regard to assets held by the foundation.

Asset Protection

Foundations can be employed for asset protection planning. A transfer of assets to the foundation can

Key Facts Foundations

be set aside within a three year period following the transfer on the grounds that the transfer was made with intention to defraud creditors.

Filings

- The foundation Charter is filed with the Public Registry and is available for public inspection.
- The names of the Founder and Foundation Council members are also filed with the Public Registry and are available for public inspection.

Taxation

- Foundations are exempt from all Panama taxes on assets held by the foundation outside of Panama and on all income earned from non-Panamanian sources.
- The foundation pays a licence fee of US\$350 on establishment and from the second year an annual licence fee of US\$400.

Compliance

- The foundations law expressly makes all foundations subject to the Anti-Money Laundering Regime of Panama.
- A statutorily imposed confidentiality requirement is imposed on all persons dealing with a foundation and unapproved disclosure is punishable by monetary penalties.

Administrative Flexibility

- Administration of a foundation can take place anywhere in the world.
- The Foundation Council can be located outside of Panama.
- The Protector can be located outside of Panama.

Registered Agent

- Each foundation is required to have a Registered Agent in Panama at the time of its establishment and on an ongoing basis.
- TT & Asociados is the Registered Agent for all foundations established through Trident Panama S.A.

Offices

The Americas/Caribbean

Bahamas

Trident Corporate Services
(Bahamas) Ltd
T: +1 242 322 6154
bahamas@tridenttrust.com

Barbados

Trident Corporate Services
(Barbados) Ltd
T: +1 246 621 0760
barbados@tridenttrust.com

British Virgin Islands

Trident Trust Company (BVI) Ltd
T: +1 284 494 2434
bvi@tridenttrust.com

Canada

TT Services (Canada) Ltd
T: +1 604 687 0811
vancouver@tridenttrust.com

Cayman Islands

Trident Trust Company
(Cayman) Ltd
T: +1 345 949 0880
cayman@tridenttrust.com

Nevis

Morning Star Holdings Ltd
T: +1 869 469 1817
nevis@tridenttrust.com

Meridian Trust Company Ltd

T: +1 869 469 1333
nevis@tridenttrust.com

Panama

Trident Panama S.A.
T: +507 302 7494
panama@tridenttrust.com

United States

Atlanta
Trident Corporate Services, Inc
T: +1 404 233 5275
usa@tridenttrust.com

Trident Fund Services, Inc

T: +1 404 364 2019
americasfunds@tridenttrust.com

Miami

Trident Corporate Services, Inc
T: +1 305 405 9006
miami@tridenttrust.com

New York

Trident Corporate Services, Inc
T: +1 212 840 8280
nyc@tridenttrust.com

Sioux Falls

Trident Trust Company
(South Dakota) Inc
T: +1 605 679 4355
sd@tridenttrust.com

US Virgin Islands

Trident Trust Company (VI) Ltd
T: +1 340 774 7322
usvi@tridenttrust.com

Asia

Hong Kong

Trident Corporate Services (Asia) Ltd,
Trident Fund Services (HK) Ltd
& Trident Trust Company (HK) Ltd
T: +852 2805 2000
hongkong@tridenttrust.com

New Zealand

Trident Trust Company (NZ) Ltd
T: +64 9 300 6067
nz@tridenttrust.com

Singapore

Trident Corporate Services
(Singapore) Pte Ltd, Trident Fund
Services (Singapore) Pte Ltd &
Trident Trust Company (Singapore)
Pte Ltd
T: +65 6653 1800
singapore@tridenttrust.com

EMEA

Cyprus

Trident Trust Company (Cyprus) Ltd
T: +357 258 20 650
cyprus@tridenttrust.com

Dubai

Trident Trust Company (UAE) Ltd
DMCC Branch
T: +971 4 423 9988
dubai@tridenttrust.com

Trident Fund Services (DIFC) Ltd

T: +971 4 277 1191
dubai@tridenttrust.com

Guernsey

Trident Trust Company
(Guernsey) Ltd
T: +44 1481 727571
guernsey@tridenttrust.com

Isle of Man

Trident Trust Company (IOM) Ltd
T: +44 1624 646700
iom@tridenttrust.com

Jersey

Trident Trust Company Ltd
T: +44 1534 733401
jersey@tridenttrust.com

Luxembourg

Trident Trust Company
(Luxembourg) S.A.
T: +352 26 30 28 48
luxembourg@tridenttrust.com

Malta

Trident Corporate Services
(Malta) Ltd, Trident Fund
Services (Malta) Ltd & Trident
Trust Company (Malta) Ltd
T: +356 21 434 525
malta@tridenttrust.com

Mauritius

Trident Trust Company
(Mauritius) Ltd
T: +230 210 9770
mauritius@tridenttrust.com

Seychelles

Trident Trust Company
(Seychelles) Ltd
T: +248 4 422 000
seychelles@tridenttrust.com

Switzerland

Trident Corporate Services AG
T: +41 44 396 1080
switzerland@tridenttrust.com

United Kingdom

Trident Trust Company (UK) Ltd
T: +44 20 7935 1503
uk@tridenttrust.com

Trident Company

Services (UK) Ltd
T: +44 20 7487 0460
corpservices@tridenttrust.com