

## **Panama Private Interest Foundation (PPIF)**

### Formation

The Foundation is formed by one or more individuals or legal entities and can have immediate effect upon the death of the Founder. A Foundation Charter is registered at the Public Registry, which is subscribed by the Founder, whose signature must be authenticated by a Public Notary.

### Purposes of a Foundation

The Foundation must be used for non-profitable purposes. Nevertheless, commercial activities may be carried out, and capital stock rights may be enforced by the Foundation so long as the proceeds of such activities are exclusively applied to the Foundation's purposes. Foundations are commonly used for:

- Administration of the Founder's assets
- Private investments
- As a Holding vehicle for assets or property
- As a Shareholding participation
- For Regulation of succession
- For Business preservation
- In order to secure the wishes of the founder as regards the disposition of assets
- For Minimization of tax inheritance
- May be used in order to make recurring payments to individually designated beneficiaries and distribution of the Foundation funds to those beneficiaries, in the event of dissolution of the Foundation
- May be used to administer payments to individuals for education, training and other purposes, offering benefits for future generations
- To promote family financial livelihood