



What are the SPF's functions?

- Asset Protection
- Holding of Shares/Other Investment Instruments
- As an Investment and Holding Company
- Deferral of Income
- Minimizing Wealth Taxes
- Preservation of Family Assets
- Estate and Tax Planning

What are the SPF's advantages?

Confidentiality:

- No requirement to disclose beneficiaries
- Founder identity is concealed and separated from assets (see Attachments C, D and E for potential SPF structures)

Flexible/User-Friendly:

- Simple concept
- Great degree of flexibility
- May hold assets and liabilities in foundation's own name, or control other assets indirectly
- Complete exemption from all taxes in Curaçao and Netherlands Antilles
- No requirement to file annual tax returns or financial statements
- Low costs, quick establishment and viable for many generations

Convenient:

- Easy to manage, including change of Board members
- No limit on duration, may be used for entire lives of Founder and Founder's descendants

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What assets can the SPF hold?

- Can accept all types of assets/property, manage, and distribute the original capital or the proceeds to the beneficiaries, without being subject to gift/inheritance tax or corporate income tax.
- Can hold shares like a parent company, receive dividends as a parent company without taxation and invest proceeds – no limits on types of investments.
- Can hold foreign and local assets and use foreign and/or local bank accounts.

What assets can the SPF invest in?

- Generally, no limits on the type of investment of proceeds.
- Can invest assets in tradable and private securities, including Shares and other Certificates of Participation and Bonds.
- Can invest assets in Certificates of Deposit.
- Can invest assets in interest-bearing claims of any denomination and in any and all forms.
- Land and real property
- Intangible property
- Cash or cash equivalents

How can the SPF be useful as a Private Investment Vehicle?

- Can transfer all, or a portion, of its assets to a trust organized according to the laws of any Anglo-American legal system to trustees or fiduciaries for the benefit of the SPF.
- The SPF, can, in its capacity as trustee, exercise all rights and powers attached to such assets on behalf of the donor in accordance with the Letter of Wishes.
- Can act as trustee for multiple bondholders, whose bonds are secured by mortgage, pledge or other security interest.
- Can act as trustee over any form of assets in accordance with Letter of Wishes.

How can the SPF be useful as an Estate Planning Vehicle?

- Being a legal entity, the SPF can hold assets in its own name as well as hold assets in special purpose vehicles.

- Limited liability
- Founder retains full control over the assets in the SPF.
- No taxation on income or contributions received from Founder or third parties.
- Formed as a “discretionary private foundation”
- Ensures confidentiality with respect to (i) identity of the beneficiaries and (ii) purposes and conditions of asset distribution.
- Ability to change the beneficiary.
- All distributions made by SPF to beneficiaries are tax-exempt in Curaçao.
- Distributions can be made to incorporators and or others, such as children or grandchildren, without serving a charitable purpose.
- Protection of family assets against spendthrift heirs, political risks, criminal risks and economic risks.
- Orderly distribution of assets in the event of death, according to wishes of the deceased, without complex probate proceedings.

How are assets transferred into the SPF?

- Assets are acquired by way of transfer in full legal title, from Founder (can be a legal entity) who will endow assets on the SPF at time of formation or later.

May Beneficiaries be appointed and dismissed by the Founder?

- Beneficiaries can be appointed and dismissed any time according to specific provisions in the Articles of Incorporation in accordance with the Founder’s “Letter of Wishes.”

May the Founder control allocation of assets to Beneficiaries?

- Founder controls allocation of assets to beneficiaries via “Letter of Wishes” implemented and enforced by the Board of Director(s).
- Founder has power to direct how assets/funds are transferred “in” and “out” of the Private Foundation to different beneficiaries and for different purposes.

What is the Supervisory Board’s role?

- The Supervisory Board has the duty to control and supervise the activities of the Board Members.
- Appointment of Supervisory Board is optional and in accordance with Founder's Letter of Wishes.

What is the Board of Directors' role?

- Board of Directors manages activities of the SPF in accordance with Founder's Letter of Wishes.
- One or more Directors are appointed by Founder at time of formation and can be changed according to provisions in Articles of Incorporation.
- Board Members do not have any proprietary interests in the assets of the SPF.
- No personal liability.

What is the Service Package?

The service package includes the following:

- Formation and Incorporation of the SPF via Century Trust Curacao N.V.
- Professional Management of the SPF via Century Management N.V.
- Pamir Law Group as Protector of SPF (optional but recommended) provides extra confidentiality through attorney-client privilege.
- Pamir Law Group retains Curaçao law firm for additional layer of confidentiality through attorney-client privilege.
- Letter of Wishes providing Founder's instructions for allocation of assets.
- Framework to manage Letters of Instruction implementing wishes regarding management of/and/or distribution of assets.
- Quarterly, Bi-Annual and Annual SPF management reports from Century Management N.V.
- Introduction to bank in Curaçao, if needed, and assistance in securing bank accounts, if needed.