

Understanding the process, requirements and risks

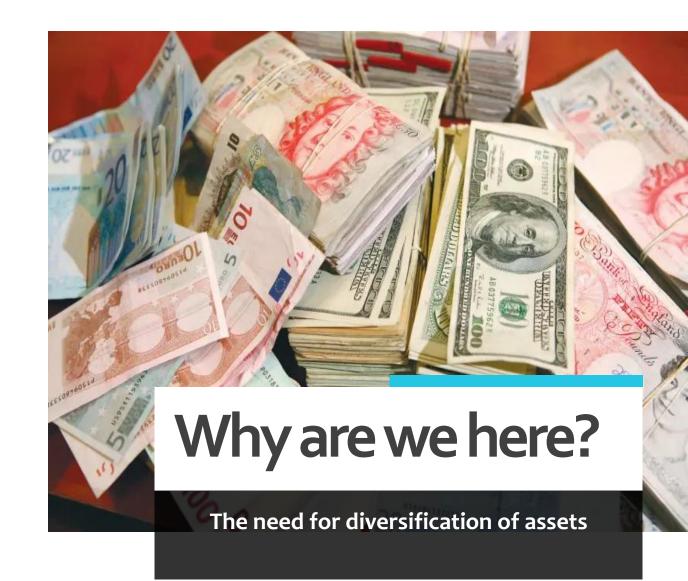
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Disclaimer

This presentation is only aimed to provide general information on the subject and does not constitute solicitation or recommendation for any financial action. The information provided does not aim to cover all angels of the topic and does not replace in any way the need to get a proper, relevant investment advice tailored around the specific circumstances of each individual.



- Don't put all eggs in one basket
- Hedging risks Political & Financial
- Currency diversification and asset allocation
- "Better be safe than sorry"
- Living in a cosmopolitan world/"Global Village"



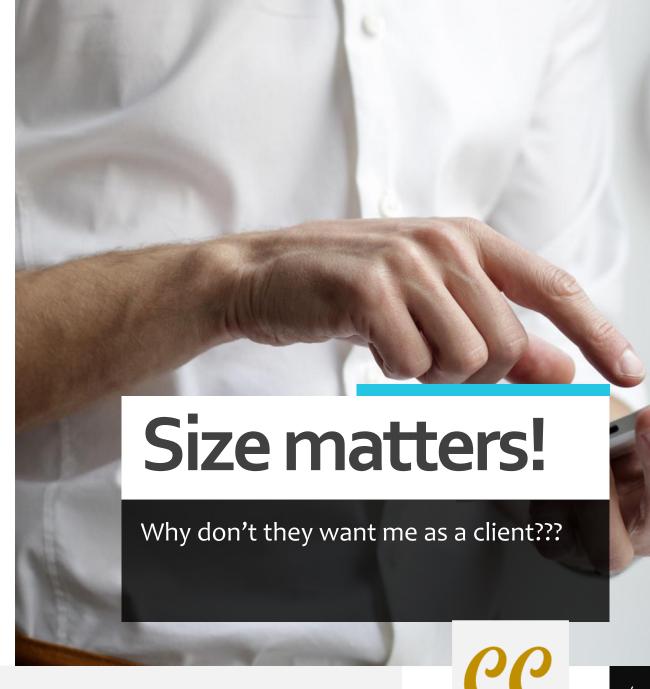
- The importance of matching income/assets to expenditure
- Financial commitments and lifestyle
- Affordability
- Risks of not matching local financial obligations
- Language skills & ability to use online apps



(And who shouldn't)



- Operation costs
- Complications of compliance
- Due-diligence requirements
- Other rigid legal obligations and regulative environment
- Private banking vs. Premier/affluent banking



What can we do?



Which financial institutions should we look for?

What type of assets should we invest in?

Which financial Services do we need?

- Variety of foreign currencies accounts
- Ability to make transfers and receive payments
- F/X Currency conversions
- Debit/Credit cards
- Deposits and other investment options
- Credit lines/loans
- Online access and telephone banking



החילוץ של קפריסין: איך זה בדיוק יתבצע 4.1 מיליארד יורו מיליארד יורו כיסוי חלק מהחוב שיקום המגזר הממשלתי הבנקאי להיכן יוזרמו כספי החילוץ שתעביר אירופה? מיליארד יורו כיסוי הוצאות פיסקאליות של הממשלה סה"כ 10 מיליארד יורו מהיכן תביא קפריסין את החלק שלה? 10.6 מיליארד יורו מיסוי פיקדונות בבנקים העלאת מס חברות ב־2.5%–12.5% והכפלת מס רווחי הוו ל־30% הפחתת ריבית והפחתת מועד פירעון הלוואה מרוסיה קפריסאים מפגינים על הקיצוצים בפנסיה, בחודש שעבר

The more exotic, the higher the risk...

Make sure you understand the risks and exposure

Why "boring" isn't a bad thing when it comes to banking?

- Icelandic banks offering banking services to the rest of the world (2008)
- Investing in Georgia/Ukraine before Russian invasion
- Cypriot banking system meltdown (2013)
- SVB & Signature American banks defaults (2023)
- Credit Suisse collapse (2023)

מוערך	הגזירה	חלק מהפיקדון		
שחיקה חדה, לאור העלייה החדה בסיי האשראי של קפריי	הקפאה ללא יכולת משיכה	40%	****	The same
60%	המרה כפויה למניות של The Bank of Cyprus	37.5%	**	2000
שחיקה חדה או בהתאם לבחינה	הקפאה זמנית ובחינה של המרה למניות	22.5%		
		22.5%		

Taking legal & tax advice

understanding the rules and regulations



- Being compliant both locally and abroad with reporting requirements
- Examples: Income tax, Capital gain tax, Inheritance tax, being American citizens (W-8/W-9)
- Tax treaties and disclosure of information
- Making a will covering world-wide assets

Examples of Banking options at the "Premier" level (or below)

Few major banks still offer financial solutions and services for relatively small accounts

HSBC Expat Bank (Jersey)

- Free at Premier level
 - Accounts in £GBP, €EUR, USD\$
 - Global Money Account in <u>18</u> currencies (allow F/X conversion and global payments with a physical and digital debit card for payments in those currencies)
 - Attractive currency saving accounts in 16 currencies
 - GBP credit card with no annual fee
 - Investments products and investment advice
 - Online, mobile and telephone management
 - Relationship manager for Premier clients
 - UK mortgages

Lloyds International (Isle of Man)

- Allows also small accounts (with monthly fee)
 - Choice of 3 currencies Accounts in £GBP, €EUR, USD\$
 - Fee free International Payments (correspondent and recipient bank charges may apply)
 - Visa debit cards in £/€/\$
 - 24/7 worldwide access
 - Internet & telephone banking/assistance
 - Choice of deposits in all major currencies
 - Monthly fee <u>for small accounts</u> £7.50 <u>or</u> €8 <u>or</u> US\$10



Additional financial solutions and platforms

Few major banks still offer financial solutions and services for relatively small accounts

Online brokerage accounts

- Examples:
 - Schwab / Interactive Brokers
 - Require Investment knowledge
 - Make sure you understand the risks!!!
 - USD\$ denominated
 - Ability to trade shares, ETFs, bonds and options
 - Trade independently online with real-time market access
 - Efficient way to create an investment portfolio
 - Could offer USD deposits (FDIC insurance up to \$250K)
 - USD debit/credit card

Digital banking platforms

- Examples:
 - Revolut / Tide / Wise / Monzo / Monese
 - Currently <u>not available</u> to Israelis living in Israel!
 - Cost effective and convenient

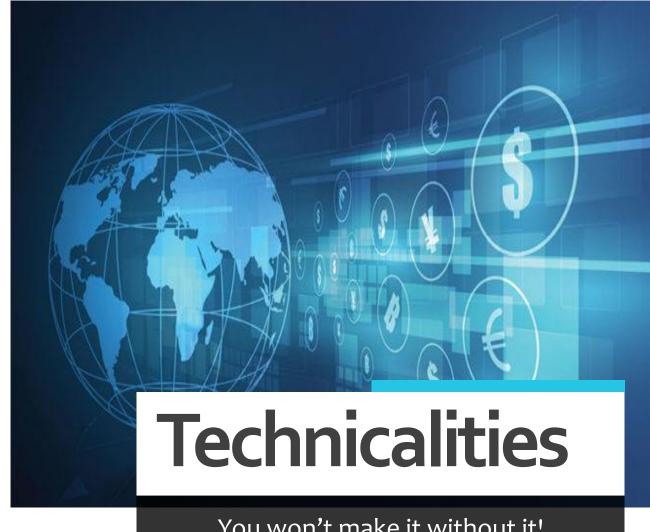
Don't fall for:

F/X platforms / High leverage "investments" Binaric options

Other high-risk "day-trading" / "gaming" platforms You will lose your money!!!



- Language/Culture barriers
- Technological barrier (internet/telephone banking)
- Remember passwords & codes
- Filling forms
- Translating and certifying documents
- Understanding Tariff of charges
- Transferring funds abroad (Conversi, PayPal, etc.)



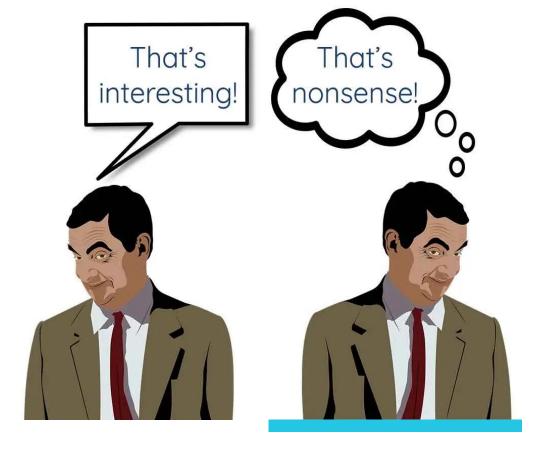
You won't make it without it!

- Online banking will save you charges
- Be cooperative and remember that the RM is not your friend or your partner in crime...
- Understanding KYC procedures (VA+ID, source of funds)
- Cultural differences what Brits say vs what they actually mean...



(manage the relationship with your relationship manager)

What Brits say	What you think they mean	What they actually mean	
I hear what you say	They accept my point of view	I totally disagree and do not want to discuss this further	
That's not bad	That's poor	That's good	
Quite good	Very good	Not very good	
Incidentally/by the way	That's not important	That's the main point	
I only have a few minor comments	There's no major issue	Please redo the whole thing	
You must come to dinner	They want me to come	This is not an invitation; I'm just being polite	
I might join you later	They might be coming later	There's no chance that I'm coming out	
I'm sure it's my fault	They think it's their fault	This is your fault	
I'll bear it in mind	They'll consider my suggestion	There's no way I'm doing that	
That's a brave proposal	How courageous of me	You are insane!	
How are you?	They want to know how I'm doing	Please don't tell me your life story	
Very interesting, Wow!	They're impressed with what I'm saying	Boy, this person is boring and talking nonsense	



What Brits say VS

What they actually mean...

