



Opening Bank Accounts Abroad

Understanding the process, requirements and risks

Guy Baruch
Caesium Capital Ltd.

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 angles 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”



Why are we here?

The need for diversification of assets

- 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



Who should consider opening accounts abroad?

(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

A person wearing a white button-down shirt is shown from the chest down, pointing their right index finger towards a screen. The background is slightly blurred, suggesting an office or professional setting.

Size matters!

Why don't they want me as a client???

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



מהיכן תביא קפריסין את החלק שלה?

מיסוי פיקדונות בבנקים	10.6 מיליארד יורו
העלאת מס חברות ב-2.5%-12.5% והכפלת מס רווחי הון ל-30%	600 מיליון יורו
מכירת זהב	400 מיליון יורו
מיחזור חובות משקיעים פרטיים	1 מיליארד יורו
הפרטות	1.4 מיליארד יורו
הפחתת ריבית והפחתת מועד פירעון הלוואה מרוסיה	2.5 מיליארד יורו

סה"כ < 14.1 מיליארד יורו

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)

הפסד כואב

ההסדר המסתמן בפיקדונות בקפריסין של מעל 100 אלף יורו

חלק מהפיקדון	הגזירה	הפסד כלכלי מוערך
40%	הקפאה ללא יכולת משיכה	שחיקה חדה, לאור העלייה החדה בסיכון האשראי של קפריסין
37.5%	המרה כפויה למניות של The Bank of Cyprus	60%
22.5%	הקפאה זמנית ובחינה של המרה למניות	שחיקה חדה או 60%, בהתאם לבחינה

TheMarker

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 **18** 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 for small accounts £7.50 or €8 or 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 not available 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.)



Technicalities

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...



How to communicate with the bank?

(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...





Thank You!

Any Questions?

Guy Baruch



+44 7584 097 100



Guy@caesiumcapital.co.uk



Caesium Capital Limited

