

The expat guide to offshore banking

Understand expat banking benefits



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...it's your family's future.

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It isn't just money... ...it's your family's future.

As you enjoy today and lay the foundations for the future, you need security, reliability and stability when it comes to your finances.

We often feel safest when we're closest to home, and it can be hard when we move overseas to trust people, especially with something as important as our money.

Many expats don't even think about this, but failing to use an offshore bank can leave your money in jeopardy.

By using an offshore bank, you can gain access to the highly personalised world of private banking at a relatively low entry point. If you choose the right bank, in the right jurisdiction, this means you can relax safe in the knowledge that your money is in a highly regulated, secure environment.

It also means you have the tools conveniently at hand to control your finances and, if you decide you'd like to invest, to look at ways to grow your wealth.

Many expats also move countries more than once, and moving your money from one country to the next is a major inconvenience. By banking offshore, you can get all your assets arranged in one place.

In certain jurisdictions like some in the Middle East, any money held therein can be subject to Sharia law for example, and different rules relating to inheritance may apply. For example, if an expat dies in Saudi Arabia, any wealth that he holds in the country may bypass his spouse and children even with an existing Will in his home country.

So, what should you do?

It's simple. Opening an offshore bank account will remove these worries and will also help you efficiently manage your finances day-to-day.

In the next chapters, we will answer the most frequently asked questions about offshore banking, and explore how it can work for you.

We hope you enjoy this guide and it helps deliver you a stronger, safer and more secure future.



It takes a lifetime to build your wealth, but only a few missteps to lose it.

What exactly is offshore banking?

Offshore banking simply means you have a bank account located outside your country of residence.

The banks which offer this service to expats are typically based in countries such as Switzerland or the Isle of Man, or in Asia in places like Hong Kong and Singapore.

All of these are highly regulated jurisdictions that consider banking and financial services among their most important exports.

There are many advantages to using an offshore bank, as we will explore throughout this guide, but it can be helpful if you remember the 'ABC' rule when thinking about banking as an expatriate.

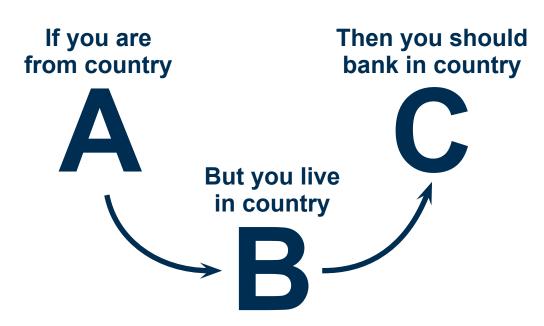
Applying the 'ABC' rule makes sense as it ensures that, if anything happens in the country in which you are living, you know your money is being held securely in another location.

Meanwhile, keeping your money outside your home country will also help you avoid paying taxes unnecessarily.

Offshore banking for expats can be as easy as 'ABC'.



Expat ABC rule



Is offshore banking right for me?

If you are an internationally mobile expatriate looking for a safe, accessible way to build wealth, then offshore banking could be the right solution for you.

The accounts do work better and are more cost effective for those of a medium to high net worth. In practice, most expatriates, due to the nature of the jobs they fulfil, already fall into this category.



Most internationally mobile expats need offshore banking.



What are the benefits of offshore banking?

There are many benefits to banking offshore if you're an expat. Below is a list of what we believe to be the top 7 benefits.



Security

In many countries, bank deposits do not have the same protection as you may have been used to at home. Cyprus and Argentina are examples where the government has raided the banks. In Greece, people are clamouring for cash as banks have been closing down.

By using an offshore bank, based in a highly regulated, transparent jurisdiction with statutory protections for investors, such as the Isle of Man for example, you can feel secure in the knowledge that your money is safe.



Service

Offshore bank accounts usually provide a highly personalised service, giving you aroundthe-clock access to your money through online and telephone banking, seven days a week, 365 days of the year. A relationship

manager is often also assigned to your account so you will always have a personal point of contact who should take the time to understand you and your needs.



Convenience

As an expatriate, being able to keep your bank account in one place, no matter how many times you move countries, is a major benefit. You also know, no matter where you are in the world, you will have access to your money. In fact, this reason alone is enough for many people to open an offshore bank account.



Tax

There are a number of tax advantages to using an offshore bank. These range from keeping your money outside of the tax net of your home country, to protecting it from taxes in the country in which you are currently living. It can also be useful when it comes to estate planning as, depending on your nationality and tax status, assets that sit in your offshore bank account might not be subject to inheritance tax.

Investing

An offshore bank will provide you with a wide choice of funds and investments that are not usually available either in your home country or where you are currently living. Investing through an offshore bank is straightforward, and there is usually advice or tools at hand to help you create an investment portfolio appropriate to your risk profile and the outcomes you want to achieve. Investing with an offshore bank account is normally much more flexible and transparent than the alternatives that are conventionally used.

Foreign exchange services

With multi-currency accounts usually coming as standard, transferring money between accounts is fast and free. And, if you need to transfer money between currencies, offshore banks will normally provide a competitive foreign exchange rate, compared to a regular banking service. This is one of the biggest advantages of offshore banking.

Lending and credit

Because this is effectively a private banking service, lending and credit facilities are often much more flexible and tailored to your needs. For example you will often find very competitive mortgage rates are available for property, particularly if you are considering investing in, or mortgaging a property in a mainstream market like the UK.

You can take advantage of these benefits by opening an offshore bank account. It is a simple and quick process. Some firms, like AES International, can open an offshore bank account for you within 48 hours provided that all the requirements are met. To open an offshore bank account, click here.



You will find very competitive mortgage rates available for property in a mainstream market like the UK.

Who uses offshore banking?

Offshore banking is particularly helpful for those:



Who regularly transfer money home or to family members around the world;



Who are concerned about the security of their money, either in their home country or where they are living;



Who are confused about how best to manage their finances – and keen to maximise simplicity and transparency;



Who focus on tax efficiency;



Who want one place to securely manage their banking and investments.



Offshore banking is suitable for anyone who wants to keep their money secure.

A one-stop shop for all your banking needs

An offshore bank account is a platform that works beyond pure banking.

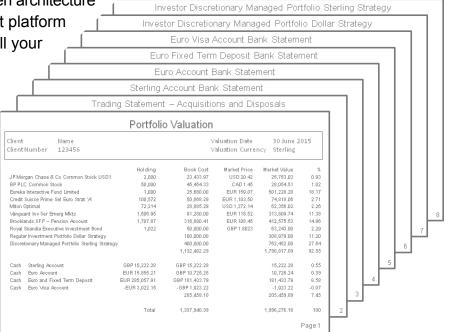
saleman/IFAs which tend to be expensive, inflexible and often filled with toxic investments.

Your unique statements will look like the below.

A primary benefit of having an open architecture offshore banking and investment platform is that it is a one-stop shop for all your cash, term deposits, loans and investment needs.

You can hold all your family's accounts in once place and can even add your pensions and investments.

This means you can happily avoid the separate, insurance-based investment and savings accounts punted by the multitude of commission-based offshore



Meet Jake

The process of opening an account was very straightforward and smooth. There are of course a few forms which need to be completed and basic administration which needs to be done, but once the process of setting up an account began there were no hold ups and no frustrations at all.

Accessing everything online is easy, telephone banking is easy, even communications over email - it is all nice and

easy. I couldn't be happier Jake van den Dries



How can I open an offshore bank account?

The process for opening an offshore bank account is straightforward and most offshore banks will ensure there is someone on hand you can contact to help guide you through the process.

If you would like to find out more, click below. We are always happy to provide you with a no-obligation review of where you are financially, and guidance on whether offshore banking could be the right solution for you.

Debunking the myths of offshore banking

Myth 1

Offshore banking is illegal

No it's not. And the boring truth is that the vast majority of offshore bank account customers are, just like with a high street bank, normal everyday people not international criminals!

Myth 2

People only use offshore banks to evade tax

Offshore banking has acquired a reputation as an instrument for tax evasion, as the media has often highlighted offshore banks in high profile tax cases.

The only truth in this myth is that using an offshore bank account can legitimately help lower your tax bill, but only through legal routes!

Myth 3

Offshore banks are based in far flung dodgy corners of the world

There are of course banks based all over the world, and, yes, some offshore banks are based in less regulated jurisdictions, such as some of the Caribbean nations.

However, many are also based in less 'exotic' places like the Isle of Man, Singapore or Switzerland which are well run, highly regulated jurisdictions with first class reputations.

Myth 4

You need to be wealthy to open an offshore bank account

The truth is that there are many different levels of offshore banking. Some banks will let you open an account with as little as \$500, while there are some which won't even say hello unless you have at least a million.

In reality, most offshore banks are offering a private banking service, for which you would expect to pay a little more. But if you are looking for a long-term financial partner with which to build your future, most decent banks will be happy to talk to you and help you.

Myth 5

You need to visit the bank in person to open an account

As long as you fulfil a bank's 'know your client' due diligence requirements to prove your ID and address, many banks don't require you to visit in person to open an account.

Build on the right foundations

Having the right banking platform, with the ability to organise your investments, pensions and cash in one place, is the basic foundation on which you should build your financial future.

AES International offers a range of banking, investment and tax planning solutions for internationally mobile clients based in the Middle East and across Europe.

To open an offshore bank account, click on the button below and start your journey with us.

Contact us

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IMPORTANT NOTE: This guide aims to provide general information on investing. It is a short and simplified summary of a complex subject, so please do not make any decisions based solely on the contents of this guide. Whether or not investments are appropriate to you will depend on many factors, including your individual needs and circumstances. For a personalised recommendation, please contact AES International.