

CANACCORD|Genuity
Wealth Management

Your specialists in
investment management

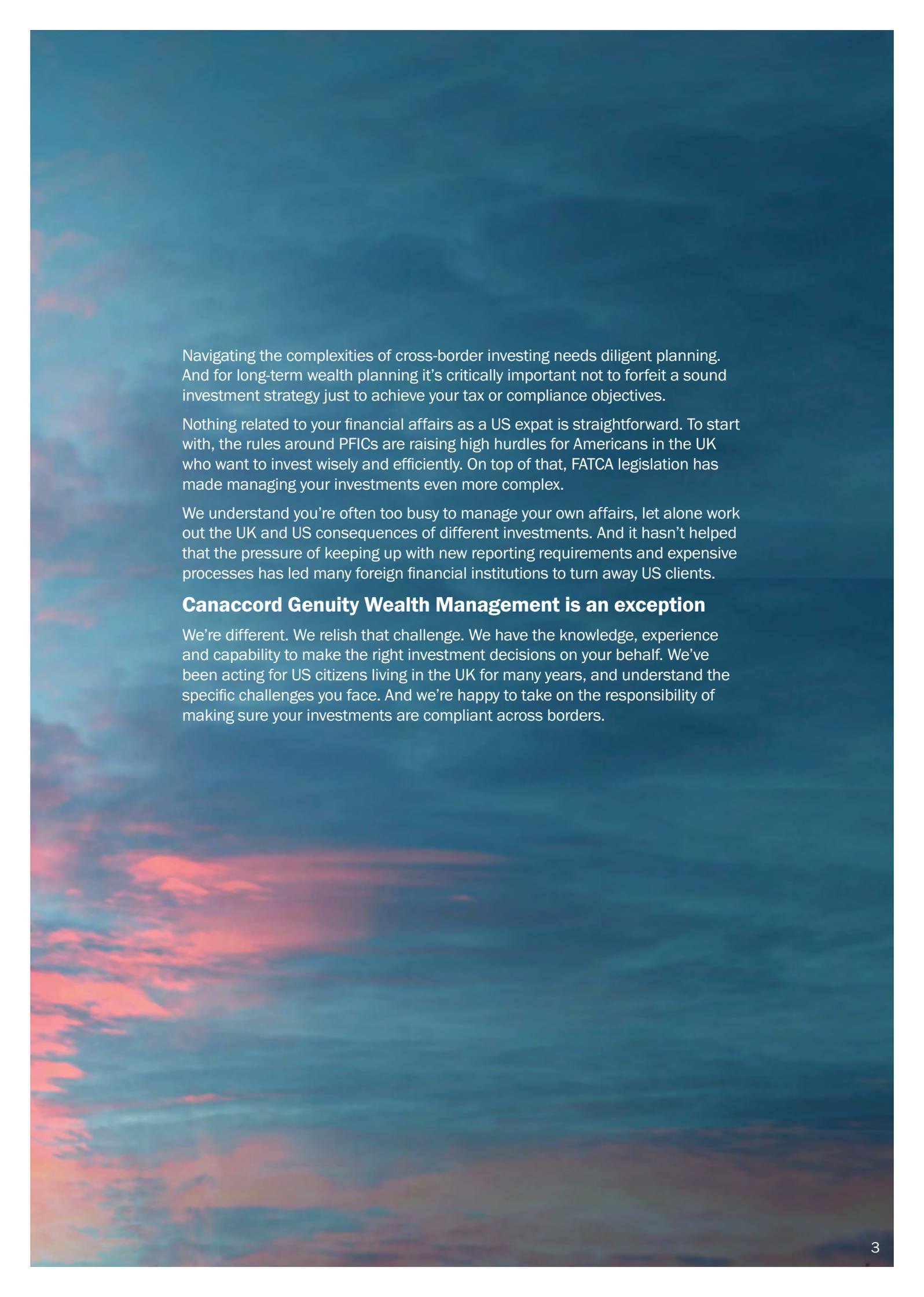
on both sides
of the pond



Investing

across jurisdictions





Navigating the complexities of cross-border investing needs diligent planning. And for long-term wealth planning it's critically important not to forfeit a sound investment strategy just to achieve your tax or compliance objectives.

Nothing related to your financial affairs as a US expat is straightforward. To start with, the rules around PFICs are raising high hurdles for Americans in the UK who want to invest wisely and efficiently. On top of that, FATCA legislation has made managing your investments even more complex.

We understand you're often too busy to manage your own affairs, let alone work out the UK and US consequences of different investments. And it hasn't helped that the pressure of keeping up with new reporting requirements and expensive processes has led many foreign financial institutions to turn away US clients.

Canaccord Genuity Wealth Management is an exception

We're different. We relish that challenge. We have the knowledge, experience and capability to make the right investment decisions on your behalf. We've been acting for US citizens living in the UK for many years, and understand the specific challenges you face. And we're happy to take on the responsibility of making sure your investments are compliant across borders.

Offering

you

a range of services



At Canaccord Genuity Wealth Management, we provide a comprehensive investment management service, specifically designed for US citizens resident in the UK and including:

- A choice of discretionary or advisory portfolio management
- In-depth experience and expertise
- Custody in the UK, Guernsey, Jersey, Isle of Man or New York
- Accounting in dollars using the US tax year
- Investment in US-compliant individual retirement accounts (IRAs)
- FX trading and currency hedging
- Tax reporting documents demanded by the IRS, such as the 1099, the 1042 and the FATCA reporting requirements.

Some of these services will be provided by Pershing LLC, a BNY Mellon company.

As we don't offer tax advice at Canaccord Genuity Wealth Management, we'll work closely with any tax, accountancy or legal professionals supporting you, to make sure the decisions we make on your behalf dovetail with the arrangements they've set up for you.

Transparency in the USA

You'll need to talk to your tax adviser about our recommendations, since there are various investments you may need to avoid, as they don't comply with US tax rules, or because they would be liable for Offshore Income Gains. These include PFICs and most collective investment vehicles such as UK unit trusts and OEICs.

When we build your portfolio, we'll also be mindful of the implications of using UK wrappers such as ISAs or SIPPs.

Freedom and flexibility

We're happy to take on all kinds of complex situations and needs. For example, if:

- You already have some US interests and assets, including pension arrangements
- You wish to hold investments in sterling, dollars, euros, other currencies, or even a mix of several
- You want direct exposure to US markets, via municipal bonds or US equities
- You need to keep your pension arrangements in the US rather than Britain.

The levels and bases of taxation may change in the future.

Currency fluctuations may impact the value of your return and investment.

Surrounded by specialists on both sides of the Atlantic

You can depend on our team of specialist investment experts for a combination of award-winning portfolio management and broking.

Our London-based team, comprising six US wealth management specialists, will look after your investments and be your main point of contact. Led by Roy Clouse, the team has a combined total of over 50 years' experience in managing assets for US citizens living abroad. Roy is a US citizen himself, so he understands the regulation issues you're facing. The team also has 20 years' combined experience working for major Wall Street brokerage firms.

The Canaccord Genuity Group has expertise across eight offices in the US, so your UK Investment Manager will be able to access specialist advice and local knowledge. Together, our UK and US offices have an extensive investment research capability, including equity and fixed income analysts based across both continents. In the US, our 43 analysts cover six US sectors: consumer and retail, energy, healthcare, industrials, real estate and TMT (technology, media and telecom).

We'll work with your other advisers to ensure our recommendations fit in with your overall wealth management plans.

Focused on you

Our service is built on understanding, availability and clear communication.

- **Understanding your needs:** we'll listen to your needs and provide you with a highly personalised service to build a long-term relationship with you. We'll agree how often you want progress meetings with us to review your portfolio and discuss any changes to your circumstances.
- **Availability:** you can call your dedicated Investment Manager whenever you have any immediate questions about your portfolio. You also have 24/7 access to your account through our Wealth Online service, where you can view your investments, statements and historical valuations.
- **Clear communications:** we'll send you quarterly valuations by email or post. We also produce regular client publications and expert investment commentaries, to keep you up to date with global investment matters and the latest trends and opportunities.



Your

choice of portfolio
management services



We offer you access to a wide range of portfolio building and management resources, including insights into local and international markets.

When we build a portfolio for US clients based in the UK, we use a combination of managed funds, ETFs, closed-ended funds, direct equity and fixed income securities (including municipal bonds). We can also provide FX trading and currency hedging.

Discretionary or advised?

You can choose whether we manage your investments on a discretionary or advised basis. Whatever you decide, you can be sure your portfolio is uniquely designed to meet your individual objectives and attitude to risk.

If you select our **Discretionary Portfolio Management Service**, our investment professionals will build and run a personalised portfolio on your behalf, without needing to ask your permission each time they want to make an adjustment.

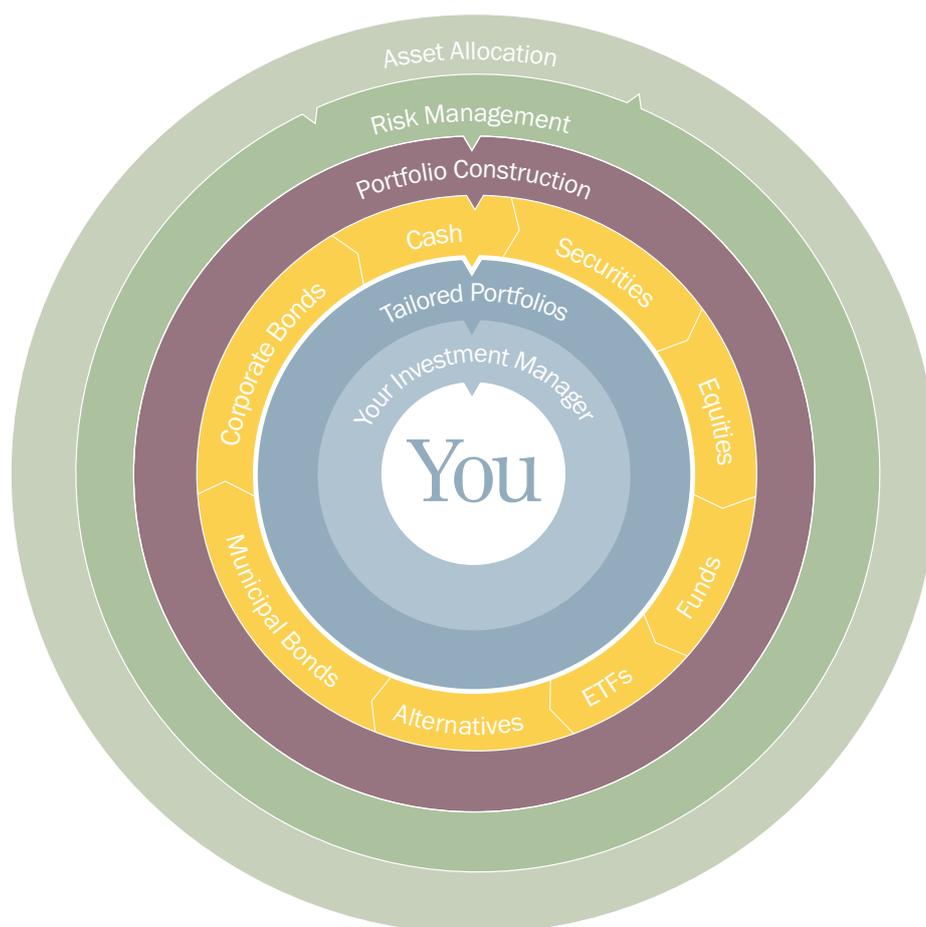
Our discretionary portfolios invest in individual stocks and bonds, and other alternative asset classes. They also invest in third party investment funds, for added diversification and access to a wide range of fund managers.

Our investment approach is risk driven: we believe it's more important to manage your portfolio to meet your risk objectives than to chase short-term returns.

If you'd rather keep control of your investment decisions, our **Advisory Portfolio Management Service** offers the same insight and recommendations as our Discretionary Portfolio Management Service, with a personal portfolio developed in line with your objectives and attitudes to investment risk. Our experts will make recommendations, but you're free to make your own choices. We'll suggest changes we think are appropriate, but we'll only undertake transactions and changes with your agreement.

The value of investments and the income from them can go down as well as up, and you may not get back the amount you originally invested.

Our investment process



Our goal is to meet your personal investment needs and achieve the best possible returns for your chosen level of risk.

Based on a global asset allocation framework, our rigorous, robust and highly analytical investment process includes in-depth research, continuous monitoring and the interaction of a number of investment committees.

Like a combination lock, each layer of our investment process must be aligned before your Investment Manager can start to create a risk-

adjusted portfolio, flexibly tailored to your individual US and UK needs.

- We can offer you all types of investments, including a range of US equities, funds and fixed income assets using an approved list – we offer more than just a fund-based approach for those wanting US exposure
- Our in-house experts select investments from the open market to create a range of quality investment opportunities for you

- We measure risk through our in-house portfolio risk management calculator, and build portfolios from our approved lists
- Your Investment Manager will check your portfolio against your objectives to make sure it's on track, and actively manage and monitor your investments, aiming to maximise returns and minimise losses.

Case histories

Mr and Mrs Amethyst

Their situation:

- Mr and Mrs Amethyst live in Surrey
- He is a UK subject
- She is a dual US/UK national
- They have no plans to live in the US.

Why they chose Canaccord Genuity Wealth Management:

- Mr and Mrs A needed various accounts, strategies and currencies managed for them, with the benefit of dealing with a single point of contact
- We were able to set up two accounts for Mrs A, both held in the US, and a sterling account for Mr A
- Mrs A's investment account is invested in dollars and sterling, in securities that are suitable for someone who has tax reporting requirements in both the UK and US
- Her IRA is invested in sterling corporate bonds, providing a tax-efficient income.

Mr Topaz

His situation:

- Mr Topaz is a lawyer
- He is a US citizen
- He's lived in the UK for 11 years and expects to be here for another 10 years.

Why he chose Canaccord Genuity Wealth Management

- He's used to US-style broker-dealer statements and accounting
- He prefers to deal with an Investment Manager who knows US markets but is UK based
- He wants a firm that has access to US research and analytics as well as local UK knowledge for his UK investments
- He likes his broker to work with his accountant to ensure his investments meet his tax reporting requirements.

Find out how we can help

you

To find out more about this service and talk to us about your specific wealth and investment needs, please call one of our US specialists.

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If you'd like to receive our regular US-focused blogs, visit our website or email us at **marketing@canaccord.com**.

About Canaccord Genuity Wealth Management

Investing with Canaccord Genuity Wealth Management gives you access to a broad range of wealth management solutions. In the UK and Europe, our investment professionals manage and administer over £26bn (as at 30 June 2018) of assets on behalf of over 26,000 clients.

We are part of Canaccord Genuity Group Inc., a publicly traded company under the symbol CF on the Toronto Stock Exchange. Canaccord Genuity Group Inc. is a leading global financial services firm, operating in wealth management and capital markets.

We have enough size and scale to deliver experience and expertise, combined with a highly developed and up-to-date technical infrastructure. This provides efficient and effective investment management, as well as economies of scale that allow us to be price competitive. At the same time we are small enough to provide a personal relationship-led service with direct access to our people and knowledge.

Important information

Investment involves risk. The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. The investments described in this brochure may not be suitable for all investors. Investors should make their own investment decisions based upon their own financial objectives and financial resources and, if in any doubt, should seek advice from an investment adviser.

Any tax benefits mentioned in this brochure depend upon the investor's individual circumstances and clients should discuss their financial arrangements with their own tax adviser before investing. The levels and bases of taxation may be subject to change in the future.

Where investment is made in currencies other than the investor's base currency, the value of those investments, and any income from them, will be affected by movements in exchange rates. This effect may be unfavourable as well as favourable.

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