



 **M A S E C O**

**Our offering for US Clients**



## Our offering for US clients

MASECO Private Wealth (MASECO) is a wealth management firm specialising in the development and implementation of tax efficient investment strategies for US individuals, families, trusts and foundations with over \$2.6bn investable assets under management.

MASECO LLP is authorised and regulated by the Financial Conduct Authority (FCA) in the UK and with the Securities Exchange Commission (SEC) in the USA.

# How MASECO can help your US clients

## Specific targets

Due to the specialised nature of our offering, the clients we are able to help most are typically:

- US citizens residing in (but not limited to) the UK, particularly those who have been resident in the UK for more than seven years.
- UK citizens planning to move to, or currently living in the US.
- US citizens who are beneficiaries of offshore trusts.
- Those marrying or divorcing, with dual nationalities.
- US persons with philanthropic ambitions through charitable giving.
- US connected clients with minimum investable assets of c. \$1,000,000.

## Challenges facing your US client

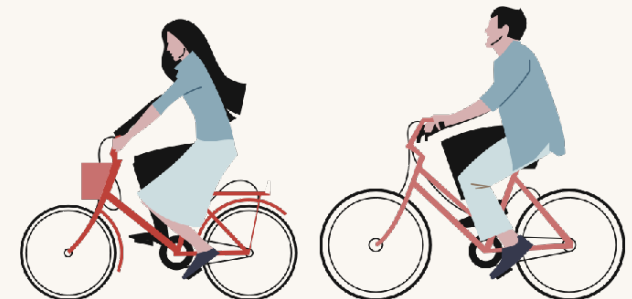
US citizens living in the UK may face a number of complex challenges when it comes to allocating and investing their assets, from IRS and HMRC dual reporting requirements to conflicting tax considerations. For more information, please refer to MASECO's "Challenges Facing US Client" factsheet.

## Finding the right strategy

Despite the challenges facing US clients there are a number of ways in which the investment portfolios of US non-doms may be structured so that they are tax-efficient and compliant from both a UK and US tax position. When assessing the investment solutions available, it is important that the issues are not looked at in isolation. There are a number of key considerations in developing an appropriate investment strategy that is structured to be tax efficient and compliant.

For example:

- Are any of the current investments in US Mutual Funds, where any realised gains are most likely taxed at income tax levels in the UK?
- Are any of the current investments Passive Foreign Investment Companies (PFICs) for US purposes?
- Are the client's US education (529) plans structured appropriately for UK residents?
- Have appropriate tax wrappers been used to ensure that the currency of assets matches the client's long-term liabilities as far as possible?
- Are the client's foreign tax credits being used effectively?
- In the case of couples who are of dual nationality, an understanding of the framework of both tax jurisdictions is vital.
- In the case of entrepreneurs, careful wealth structuring may result in flexible investment options.
- A deep understanding of legacy plans for US families can be of significant benefit when developing a RationalWealthPlan™.



The background features a solid red rectangle in the top-left corner. Scattered across the page are several white line-art icons of mountains and a group of five blue birds in flight.

### **Our wealth management service**

MASECO gives peace of mind by providing expert guidance to US families on how to simplify their cross-border wealth management needs.

We serve and care for Americans living at home or abroad through the careful planning and implementation of rational, practical and tax-efficient wealth management strategies.

We work with our clients to create a RationalWealthPlan™, comprising six main categories:

#### **Wealth Structure**

- The starting point is establishing whether our clients' assets and income support their vision.
- We analyse the level of investment risk our clients are able to tolerate from an emotional standpoint using market-leading risk profiling tools.
- We identify the issues our client's face and how they can be resolved.

#### **Investment Strategy**

- RationalPortfolios™, our evidence-based approach to investing is quite different, we believe, from other more well-known approaches. We look at academic evidence when structuring portfolios and build them based on the risk premiums that have been proven to exist in the market.

- We hold a number of enduring convictions that form the basis of our investment philosophy informed by both practical evidence and investment theory. This guides the decisions we make on behalf of our clients:
  - i. Structuring a robust and highly diversified portfolio that suits the needs of a specific client;
  - ii. Minimising costs of all kinds (both financial and emotional);
  - iii. Aligning the risk of portfolio correctly.

#### **Tax Efficiency**

- We believe that managing the tax wealth equation is vital when working with US clients who often have two tax regimes to consider when making an investment decision.
- Our goal is to minimise the tax our clients pay today in the UK and the US by effective use of the tax allowances and the understanding of cross border taxation.
- We have helped to create US institutional asset class funds with UK reporting status and offshore funds which have been elected to be US tax-efficient. Although we are not tax advisers, we conduct tax analysis on our clients' existing portfolios to assess whether restructuring a portfolio makes economic sense. We consider both the US and UK tax liabilities and foreign exchange movements, the tax status of the funds, as well as holding periods for US tax purposes.
- All of our US clients, including trusts, will receive excellent US and UK tax reports in local currencies to aid with their tax filing obligations.
- Most of our clients do not have to file the FBAR report on their portfolios as their assets are custodied in the US.

### Estate and Trust Structuring

- Our goal is to minimise any potential future impact of Inheritance or Estate taxes, without curbing a client's lifestyle or financial security today.
- We like to offer our clients a holistic service. To do this, we work with a network of carefully selected specialist advisers who provide us with high-level knowledge and skills, enabling us to structure our clients' portfolios in the most appropriate manner.

### Philanthropic considerations

- We believe that life goes full circle and are delighted to help coordinate our client's charitable ambitions.
- We are able to help our clients structure foundations, donor advised funds or make direct donations while obtaining both a UK and a US tax deduction.

### Relationship Management

- MASECO Private Wealth seeks to partner with clients by providing unbiased and unconflicted expert advice. We are here to guide, plan for, and achieve their life and multi-generational goals.
- We work to a shared set of values in order to deliver not only our expertise but also a passion for client service to our clients:
  - i. Clients have one team for the management of their US and UK portfolios.
  - ii. We aim to respond to all emails the day they are received.
  - iii. We have a structured review process.
  - iv. We are constantly looking at ways to improve the experience for our clients.
  - v. At MASECO we do not believe that we should be compensated for our services by anyone except by our clients. This framework is the approach one used by other professional bodies, which we have adopted since our inception.



## What makes us different?

We are an established company, driven to deliver industry-leading and innovative results.

What we hold to be most important is to guide our clients towards attaining their long-term life goals. By building lasting relationships, we aim to give peace of mind, confidence through guidance, and deliver discipline.

### **Client Experience**

- Exceptional service levels, in alignment with MASECO's core beliefs and values, are key to our business.

### **Passion & Drive**

- We work together with energy, passion, commitment and an entrepreneurial spirit.

### **Knowledge & Experience**

- Many of the professionals at MASECO have spent the majority of their careers working with Americans.



### **Client ownership**

The introduced client becomes a client of MASECO and the relationship is between the client and MASECO directly. We take full responsibility for discharging all obligations placed upon us by the Financial Services and Markets Act 2000, by:

- Conducting a relevant fact finding exercise.
- Providing the client with a Terms of Business Letter/Relevant Disclosure Document(s) and illustrations where applicable.
- Providing an Investment Policy Statement/Suitability Letter explaining fully the nature of any risk involved with the transaction.

### **Introducer fees**

MASECO Private Wealth may pay an Introducer with respect to successful new business. If required, we will pay a proportion of the management fee revenue emanating from that business for a maximum period of three years per client, assuming the introducer maintains an ongoing relationship with the client. If the introducer does not maintain an ongoing relationship, we will pay a one-off introducer fee at inception. We insist that the client is made aware of this and agrees to it in writing at the beginning of the relationship. Please refer to your MASECO Introducer Guide and your Introducer Agreement for more detailed information.

If you are interested in discussing the MASECO offering for US clients then please contact us to discuss our service in more detail.

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MASECO Private Wealth is not regulated to provide tax advice in either the US or the UK. We strongly recommend that every client seeks their own tax advice prior to acting on any of the strategies described in this document.

MASECO LLP trading as MASECO Private Wealth

Registered office at Burleigh House, 357 Strand, London WC2R 0HS | Registered in England and Wales, Number OC337650

MASECO LLP is Authorised and Regulated by the Financial Conduct Authority. The Financial Conduct Authority does not regulate tax advice. MASECO LLP is a Securities and Exchange Commission Registered Investment Adviser in the United States of America.

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