Dear GGI Member

In spite of today’s rich variety of innovative communication methods, they are no substitute for personal encounters and conversations, which continue to have a high value. This is reflected in the enormous demand for GGI events, for all of which, despite their increasing frequency, the number of participants is steadily growing. This year’s world conference in Rome is already fully booked. Those attending can look forward to a full and varied programme of lectures on hot topics and specific-issue working groups. The accompanying programme also offers plenty of opportunity to explore the city and for more intense networking with GGI friends and colleagues.

Once again, the future management personnel of GGI member firms have been invited to attend a GGI EasyMeet being held in November and this time, Juniors and Associates will be meeting in Prague.

Dr. Marc Faber, known for his investment newsletter, “The Gloom Boom & Doom” report, will be enriching our Asian conference in Bangkok as a keynote speaker. We shall be using the occasion of the Asian conference to celebrate the opening of our GGI Asian-Pacific Regional Office in Bangkok. The office will open on 01 December and will serve as the central contact point for the whole of the Asia-Pacific region.

Do read all about the successful German-speaking meeting in Bolzano, which was held from 14 to 16 September.

Another runaway success was “Global Village on the Move”, an event supported by GGI, which provided sponsorship in the form of scholarships for five next-generation management individuals from GGI member firms. You can read their first impressions in this issue.

Networking is also working exceptionally well outside of the events: for example, US accountancy students visited the GGI London-based accountancy firm, Lawrence Grant. GGI member KC Chia & Noor from Malaysia co-organized the Mutiara Community Forum and has made the essential content of the interesting lecture available to INSIDER readers.

Further success stories and interesting contributions on the most varied of subjects round off this issue.

We hope you enjoy reading it!

Your GGI Team
Welcome to Rome, the “eternal city”

18-21 October 2012
GGI World Conference in Rome, Italy

The upcoming GGI World conference in Rome will kick-off with the Practice Group meeting International Taxation, starting with a panel discussion on trusts from various jurisdictions, moderated by Prof. Robert Anthony. Brian Rowbotham (US) will speak on “Foreign companies expanding into the US”, Raghu Marwah (India) on “Foreign Investors, no aggressive tax planning please” and Ugo Girardi (Italy) on “Three rules for tax consultancy in Italy”. In addition, the ITPG chairs Asia will present the release of their project on “Regulatory and tax aspects for expatriates”.

Ambassador John Bruton is to be our keynote speaker. His topic will be: “It is all about politics...the real story of the euro crisis”, including his views on the euro, which was in his eyes established without a deep reflection on the political...
steps that would have to be taken in the event of a crisis of confidence arising in the strength of Europe's banks or in the creditworthiness of governments. The possibility of a contagious loss of confidence affecting both was not considered. Nor was the effect of a resultant contraction in the availability of credit to otherwise entirely viable businesses. These issues are now, belatedly, being tackled but this has to be done against a background of a newly nationalistic and resentful public opinion that is almost totally unprepared for the measures that will have to be undertaken. Resolving this problem is the biggest challenge of creative statesmanship and leadership Europe has faced since World War Two.

From 1994 to 1997 John Gerard Bruton was Prime Minister of Ireland. Previously he held a number of top posts in the Irish government, including Minister for Finance and Minister for Industry, Trade, Commerce and Tourism. From 2004 to 2009 he served as the Ambassador of the European Union to the United States.

Prof. Teodoro Cocca will dwell on the future of the euro in more detail. He will share his views of the current eurozone financial crisis with the audience and be pleased to answer questions.

Practice Group meetings invite GGI delegates to lively discussions on content-specific topics where experts from all over the world exchange technical knowledge and visions as well as discover opportunities for future joint business projects. To give you an idea what to expect, here follows some samples of discussions that are to take place.

During the Audit Practice Group meeting topics related to audit work and compliance services in different jurisdictions will be discussed. Among others, there will be a presentation on "rendering compliance services in today's world" and another on "auditing in Hong Kong and China".

The Corporate, Commercial & IP Group will discuss the US Apple/Samsung case and look into jury trial. Are juries capable of deciding complex and/or high tech patent cases? Furthermore, do trial lawyers have the ability to make these cases understandable? The Group will also look into the outcome of the recent Monsanto/Dupont trial decision in which the jury deliberated for less than an hour after a trial that lasted more than three weeks. The intellectual property rights of architects who have designed public buildings will also be discussed. This topic relates to the many people who are involved in designing, contracting, refurbishing public buildings but could certainly apply to our own architect designed homes where rights are also granted.

During the Debt Collection & Restructuring Practice Group meeting, a presentation will be given on company groups located in more than one country and the difficulties regarding insolvency procedures, emphasizing the differences and similarities that exist in different countries' legislation and legal and general practices.

The American Bankruptcy Reorganization Proceedings to include cross border bankruptcy cases will be another topic covered in this group session. The United States is unique in the world with regard to these kinds of proceedings. The subject is probably of interest to all since American Chapter 11 cases have become a business tool used to increase...next page
The conference will be held in the famous Parco dei Principi Grand Hotel & Spa in Rome. Participants will meet other professionals from all over the world to network, forge new friendships, exchange views, knowledge and ideas. They will also be able to catch up with old friends and gain inspiration from top-quality lectures, and by participating in practice group meetings and workshops. Fringe events have been organised to discover the “eternal city” and socialise with fellow GGI members.

The conference is already fully booked. No further bookings are currently being accepted, but GGI does have a waiting list.

The 2012 GGI Autumn EasyMeet will take place in Prague between 16 and 18 November and will be hosted by GGI member firm Konečná & Zacha, s.r.o. We would like to invite all junior professionals of GGI members to attend this inspiring meeting and take the opportunity to network with the staff of fellow members, share experiences and attend fruitful workshops and presentations.

The meeting will start on Friday 16 November in the afternoon with a meeting of the GGI International Taxation Practice Group in the offices of Konečná & Zacha, s.r.o which are centrally located in the Old Town area of Prague. This will be followed by a welcome cocktail in the office, from where the participants will head off to have dinner at the fantastic SaSaZu restaurant which is well known locally for its far-eastern cuisine.

Saturday will feature a full day of intriguing presentations and interactive workshops. Among other topics, there will be sessions held on cross-border mergers and acquisitions and the roles of both lawyers and accountants in these scenarios.

The Conference will be followed by a one and a half hour guided tour of the old town of Prague which will give insights into the history and culture of this beautiful city. The tour will end at the Novoměstský pivovar, which is a well known brewery in the Old Town. This will provide participants with the opportunity to discover Czech cuisine while also enjoying local live music.

The meeting is an excellent opportunity for GGI’s member firms to give their junior professionals a highly productive, unique and pleasing experience.

GGI members who have not yet registered, may still do so. Please use the online registration tool at www.ggi.com (member login/events). The detailed meeting programme is also available here.

We look forward to welcoming many of you to Prague.
This year's Asian Regional Conference will be held in Bangkok, Thailand, from 13 to 16 December 2012 at the Shangri-La Spa & Resorts. The conference will be jointly hosted by GGI member firms S.A.T. Associates Legal & Tax Co. Ltd and M.R. Associates Co. Ltd.

Dr. Marc Faber will be our keynote speaker. Born and raised in Switzerland, he has lived in Hong Kong for almost 30 years. In June 1990, he set up his own business, Marc Faber Limited which acts as an investment advisor, fund manager and broker/dealer.

Dr. Faber publishes a widely read monthly investment newsletter “The Gloom Boom & Doom” report which highlights unusual investment opportunities. He is author of several books including “Tomorrow’s Gold – Asia’s Age of Discovery” which was first published in 2002 and highlights future investment opportunities around the world. Dr. Faber is also a regular contributor to several leading financial publications worldwide.

Faber is regarded as “Dr. Doom”, the pessimistic investment guru, since he correctly predicted past stock exchange crashes, such as the Tokyo stock exchange crash in Japan, the 1987 New York stock exchange crash, the Asian crisis and the bursting of the technology bubble in 2000.

A regular speaker at various investment seminars, as well as regular guest speaker at CNBC and Bloomberg, Dr. Faber is well known for his “contrarian” investment approach.

In addition to the keynote speech, conference participants can expect a mix of different lectures, workshops and Practice Group meetings, as well as a superb platform to meet GGI members from the driving economies to look for new opportunities. As usual a varied fringe programme will round off the conference.

The conference will also see the opening of GGI’s Asian-Pacific Regional Office in Bangkok as the Asian Regional Hub. Read more about the office opening on page 22.

To prepare for the conference, do read the background information on Thailand prepared by Adirek Limsiriwong of host firm, S.A.T. Associates Legal & Tax Co., Ltd., on page 37.

Invitations will be sent out in due course and the online registration will be available soon on www.ggi.com (internal section / events).
GGI German Speaking Chapter in Bolzano

More than 60 German-speaking GGI members convened in Bolzano, Northern Italy, for this year’s German-speaking Chapter from the 14-16 September 2012. South Tyrol is an autonomously governed region, which is now part of Northern Italy and has German as one of its official languages.

The event was jointly hosted by two GGI members in Bolzano, Pichler Dejori Comploj & Partner (accounting firm) and Volgger Grüner & Partner (law firm).

Superb weather conditions made a hiking tour through the mountains nearby a most enjoyable experience for conference participants who arrived half a day early.

The event itself took place in the traditional Hotel Laurin in Bolzano.

After the welcoming speech by Dr. Lodovico Comploj, Dr. Michael Grüner gave a presentation about the privileged position of South Tyrol, its economy and its advantages as a cultural and business melting pot. Dr. Reinhart Volgger introduced participants to the history of South Tyrol’s autonomous status and of the particularities in the relationship with the Italian government.

The keynote speech was delivered by Prof. Konrad Bergmeister, who is the current rector of the University of Bolzano and the co-CEO of the Brenner Basis Tunnel, or BBT. The BBT is an ambitious bi-national venture is being carried out through a perfect cooperation between the two head offices in Innsbruck, Austria, and Bolzano, Italy. After completion, which is expected in 2025, 64 km of tunnels will have been built in total, making this the longest railway tunnel in the world.

Dr. Mirco Eller continued with his presentation about the legal framework and the advantages of choosing the place of jurisdiction in South Tyrol. The specialised part of the conference was concluded by Dr. Josef Vieider’s speech about the latest tax developments in Italy, including consequences and conclusions for clients.

After lunch, dessert and coffee were served in the modern and spacious offices of Pichler Dejori Comploj & Partner. In the afternoon, a wine tasting was held in the Tramin winery, guided by its chairman, Leo Tiefenthaler. The closing dinner took place in the Gretl am See restaurant on the shore of the lovely Lake Kalterer.

All participants enjoyed the informative and detailed presentations, accompanied by the warm and welcoming hospitality of the two GGI host firms – a truly delightful event. Next year, GGI’s German-speaking Chapter will take place in Barcelona, kindly hosted by Dr. Frühbeck Abogados.
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Global Village on the Move:

GVotM Italy 2012 – participants reviews

Global Village on the Move (GVotM) programmes are invented and organized by the Iacocca Institute at Lehigh University. They focus on unique business and cultural environments by taking participants to dynamic locations throughout the world and providing focused learning experiences. The Global Village programme builds on the central mission that the knowledge of business and industry, the skills of leadership and entrepreneurship, and the continuous development of a powerful global network are essential for today’s most successful young professionals. This year’s programme took place in San Marco dei Cavoti in Italy from 09 to 18 September 2012. It was highly successful and a great experience for all the participants, panelists and everyone who was involved.

Earlier in the year GGI became partner of the Iacocca Institute and chose to sponsor five delegates from its member firms (one from each of GGI’s regions) to take part in this exciting event. The chosen delegates were: ...next page
Great success: GVotM-participants of GGI in San Marco dei Cavoti in Italy

The programme included a vast variety of workshops, presentations and projects on the theme of Small and Medium Enterprises, with a focus of how such corporations are managed successfully. Courses included topics on entrepreneurship, finance, visionary leadership, international ethics, etc. There were also a number of case studies concerned with industry in Italy. In addition to enjoyable tours of various local companies, GVotM participants were able to visit Naples and Pompeii.

GGI representatives took part in panel discussions

Various open panel discussions were held during the programme, which proved to be highly engaging as well as enlightening. These concentrated on the themes of small business success and the challenges of a business to grow globally. A number of GGI representatives took part in these panel discussions including: Claudio G. Cocca, Michael Reiss von Filski, Marios Eliades, Dr. Robert D’Alessandro, Dr. Sergio Finulli, Johan F. Langelaar. Looking back at the programme, a number of the delegates share their impressions:

“We have made friends for life all over the world”

"Over all it was a lively, inspiring event, motivating us at a personal and professional level to think and then to reach out to our desired destiny. This was done through very professional courses and group exercises, combined with social events and lots of fun. It is true to say that we have made friends for life all over the world. It was an honour to be there!” – Michiel Teekens, TeekensKarstens advocaten notarissen:  "An enriching experience which has altered my outlook on life and left me with 30 colleagues and friends from all over the world.” – Sean William Pienaar, Heyns and Partners Inc.

“Global Village on the Move: GGI sponsors five new candidates for China 2013

GGI will once again sponsor five candidates to participate in next year’s programme – Global Village on the Move: China 2013.

The application process will be announced later this year and give members the chance to participate in this fruitful event.

Great success: GVotM-participants of GGI in San Marco dei Cavoti in Italy
GGI opens Regional Office in Bangkok

GGI is delighted to announce that the Asian-Pacific Regional Office in Bangkok, Thailand will open on 1 December 2012. GGI understands the importance of providing the best service to its members. The opening of a GGI Regional Office will help us to further expand in the region and most importantly it will enhance our services and assistance to our current Asian members.

Conveniently situated in downtown Bangkok, the new GGI office is situated in one of the most modern buildings and directly accessible from all major public transportation routes. Approximately 35 minutes from the Bangkok International Airport, the GGI Office offers our members access to spacious workspace, a business lounge, as well as conference rooms equipped with the latest technology.

Conference room at the GGI Asian-Pacific Regional Office

We look forward to welcoming you soon to our new GGI Asian-Pacific Regional Office. Should you require any assistance with regards to a stop-over in Bangkok, such as hotel accommodation or logistical support, please feel free to contact our Regional Manager Peter Kaeser, kaeser@ggi.com.

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US accountancy students visit Lawrence Grant

By Alan Rajah

Kent State University in Ohio, America, as part of their fact finding trip to London during May, visited Lawrence Grant’s offices in Harrow, Middlesex on 24 May. The purpose of the visit was to enable the students to obtain an in-depth understanding of how accountancy practices operate within the UK and Europe.

Alan Rajah, Partner at GGI member firm Lawrence Grant, ...next page
Chartered Accountants, was initially contacted by GGI member Brian Marita from Ciuni & Panichi, Inc. CPA of Cleveland, Ohio. Brian then passed Alan’s contact details onto Wendy Tietz, Assistant Professor of the Department of Accounting at the University who made contact with us almost immediately.

Kent State University, which supports about 27,000 students from USA and over 100 countries around the world, is one of the largest regional campuses in the country, with a tradition of students studying accountancy. With many students into their third or fourth year of studies, the visit to our firm, and the presentation they received were tailored to help and support them as they look to set up practices of their very own or work in industry in the coming years.

The experience in being part of an international network

During their visit, Alan gave a brief overview of Lawrence Grant as well as our experience in being part of an international network. There was also a lengthy discussion on the benefits that Lawrence Grant has obtained over the years by being an independent member of Geneva Group International as well as the various international opportunities that were available for staff at Lawrence Grant.

Alan also presented a summary of the differences in IFRS reporting requirements in the United States and Europe and discussed the reciprocity of work between other GGI members. Prodipta Patel presented the education and certification requirements in England, salary scales in the UK as well as the opportunity of internships in industry and practice. Sonal Shah presented the various corporate and personal tax rates in the UK.

Alan Rajah says: “We really enjoyed meeting the students and giving them an interesting insight into how accountancy practices operate within the UK. It was an excellent opportunity to outline our expertise of the UK’s tax system, and in particular, how it differs from their own. As many of them will go on to set up their own practice or work in industry, they will now have the added advantage of being able to impart this knowledge when speaking to US companies. In turn, we hope this will encourage multi-lateral business trading opportunities here in the UK and across Europe. We wish them all very successful careers.”

Wendy Tietz said: “The visit to your office was definitely a trip highlight! We learned an incredible amount about how accounting works in the UK. What a way to cap our entire trip - it was the grand finale to an enriching cultural experience for our group. Your hospitality was greatly appreciated as well. Heartfelt thanks from all of us.”

Student Megan Hodge added: “Thank you so much for taking time out of your schedule to meet with Kent State University. We all had a lot of fun and everyone was very friendly. Visiting Lawrence Grant helped me become excited about accounting! Your presentation was informative and provided useful information for any business student. I especially loved taking a tour of the office and meeting the staff. We had a great time in London and I hope to come back some day!”

Student Taylor Kopunovitz said: “I just wanted to take the time to thank you so much for meeting with us while we were in London. I can truly say this was one of our favourite briefing in regards to the material and how it was presented. It felt nice that you were so interested in our majors and career goals. A few of us could definitely see ourselves working for Lawrence Grant in the future!”

The team at Lawrence Grant looks forward to receiving future students from Kent State University as well as other universities around the world.

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GGI member firm Hughes Watters Askanase Top, Midsize Law Firm in Texas for Business and Transactions

GGI member Hughes Watters Askanase L.L.P. (HWA) was selected as the top, midsize law firm in Texas for Business and Transactions by the 2012 national edition of Super Lawyers magazine. Super Lawyers is a rating service of outstanding lawyers from more than 70 practice areas who have attained a high-degree of peer recognition and professional achievement. The selection process is multi-phased and includes independent research, peer nominations and peer evaluations.

Super Lawyers magazine features the list and profiles of selected attorneys and is distributed to attorneys in their respective state or region and to American Bar Association accredited law school libraries. Super Lawyers is also published as a special section in leading city and regional magazines across the country. Super Lawyers magazine is published in all 50 states and in Washington, D.C., reaching more than 13 million readers.

A number of HWA attorneys have been on the list of Texas Super Lawyers every year since 2003 when Super Lawyers was first published. Many younger HWA attorneys have also been listed as Rising Stars by Super Lawyers.

HWA’s GGI delegate, Lawrence Young, and HWA Co-Managing Partner, Wayne Kitchens, will be making a presentation on “The Unique American Bankruptcy System” at GGI’s World Conference in Rome, 18-21 October 2012. The presentation will be at the GGI Practice Group Meeting on Debt Collection & Restructuring on 19 October 2012.

About Hughes Watters Askanase

For more than 34 years, Hughes Watters Askanase, L.L.P. has helped business organizations, financial institutions and individuals succeed with their business endeavors. The firm’s attorneys play a strategic role and support clients through every stage of existence and operation. The firm’s practice focuses on representation of commercial and consumer lenders, including banks and credit unions; business bankruptcy; business planning and strategy; default servicing; real estate and finance; commercial and consumer financial services litigation; and estate planning and probate.

An Asian experience

“Using cultural value to rejuvenate local traditional businesses”

“The entrepreneur always searches for change, responds to it, and exploits it as an opportunity.” Peter Drucker

About 100 participants attended the First Mutiara Community Forum conducted in Mandarin, which was sponsored by the Mutiara Johan Group, jointly organised by GGI member firm KC Chia & Noor, Chartered Accountants, National Chamber of Small and Medium Enterprises of One Malaysia and the Malaysian Association of APAC CEO Alumni of the Tsinghua University, Beijing PRC. The forum was held on 23 August 2012 at the Menara Mutiara in the Malaysian capital of Kuala Lumpur.

The topic of forum was “Using cultural value to rejuvenate local traditional businesses”. The speaker, Prof. Kuo An Min, is a PhD graduate from the...next page
Syracuse University, USA, also serves as the Professor cum Director of the East Asian, PRC and Taiwan Trade Research Centre in the Hsing Wu University of Science and Technology, Taiwan.

Prof. Kuo, in discussing on the current issues pertaining to the cultural value, shared and exchanged ideas with the participants from the floor on how to use the cultural value to rejuvenate local traditional business operations, recent developments and to provide concrete solutions to overcome some of the challenges that face traditional businesses, especially in the Asian region. Below is the gist of his speech:

1. Incorporating cultural value into businesses

Cultural value focuses on quality of life and understanding the social and psychological value of cultural capital relating to non-financial social assets that promote social mobility beyond economic means. Examples include education, intellect, style of speech, dress and even physical appearance, etc.

Incorporation of cultural value into businesses would expedite value creation, rejuvenate existing operations and enhance the positioning, competitiveness and sustainability of traditional businesses in both local and international business dynamics.

2. Rejuvenation is a must to counter the emerging challenges

Generally local traditional businesses are small and medium sized enterprises, most are family-owned with rudimentary managerial, financial and marketing skills. They are mostly involved in the manufacturing, agricultural, tourism, service and retail sectors with low cost-effectiveness and lack of modern management techniques. Business planning is generally lacking and is often seen as a luxury modern managerial tool which is foreign to most of them.

In a world that constantly demands rapid changes in consumerism, cultural trends, spending patterns and modern styles of living, and continual cost escalation and intense competition in doing business, rejuvenation is a must for these enterprises. This is in order for them to cope with such changes, to become unique, more creative and innovative with new ideas and mind sets with a view to revitalizing the agility of the business so that they may excel in future.

3. Cultural value must be multi dimensionally out-reached

In the wave of globalisation and increasing value awareness, the corporate cultural value must be multidimensional cutting across nation, race and religion in order for products or services to be out-reached and acceptable to all races regardless of religious and cultural background worldwide.

As such, appropriate cultural value only need be applied and incorporated in the marketing strategies and product design including structural design, ingredients, production processes, packaging, distribution and delivery and thus avoid any possible contravention and be in conflict with any racial and religious sentiment that would arise in the entire production and marketing processes. Corporate cultural value must be flexible, adaptable, creative and innovative and more importantly, it must tally with the local conditions and customers’ needs.

4. Marketing concept has shifted its emphasis from product development and differentiation to a comprehensive range of customers’ values

In an age of complex and advanced information and communication which allows easy access and convenient flow of market intelligence, doing businesses has been very demanding in terms of rapid pace and encountering challenges. There is even greater pressure than ever for short-term decision making and results. Thus, the marketing concept has shifted from product centric to service orientated and now value driven.

In this value driven era, consumers are regarded as individuals with minds, hearts, and spirits. They are anxious to make the globalised world a better place and search for manufacturing and marketing companies that could address their deep-felt needs for social, economic, and environmental justice in their mission, vision, and values. It embraces not only functional and emotional fulfilment but also fulfilment of the human spirit with regard to the products and services they consume.

As such, in addition to satisfying the consumers’ needs and hopes, the concept of marketing has been lifted into the arena of human aspirations, values, and spirit that complements emotional marketing with human spirit marketing. The marketing companies also need...next page
to have bigger missions, visions, and values; and to provide solutions to address problems in society and the world at large.

5. The unexplored and expanding 'Halal' market for the 1.5 billion population of the Muslim world

The current global economic downturn and Europe's continuing deteriorating sovereign debt crisis have resulted in market retraction and a dip in export demand, thus traditional enterprises have to search for new market opportunities for the sustainability and survival of their businesses.

Apart from China and India, each having a population of about 1.3 billion, the Muslim world has become one of the most influential market driving forces in global trade, representing a paradigm shift that defines a new market opportunity based on religious cultural values and practice. The Muslim world with a population of 1.5 billion represents 25% of the world's population. The largely unexplored and expanding 'Halal' market for goods and services offers a lucrative market and huge business opportunities for all.

Prof. Kuo commented that Malaysia is a superb showcase of a multi-cultural, multi-faith and multi-racial country which has rich and diverse cultural values and extensive foreign trade tradition with strong links to China, India and other Muslim countries. Thus, Malaysia is well positioned as the gateway to the above 3 markets in which combine to a total population of around 4.1 billion and an economy worth USD13 trillion, about 18.6% of the world economy.

The next Mutiara Community Forum will be held at the same venue on 15 November 2012 with the topic: “Seven essential entrepreneurial issues in setting up new businesses”. The speaker will be Mr. Lin Gu Ye, a Taiwanese lecturer who graduated from the Hosei University, Tokyo Japan and is an approved MTP lecturer under the Japan Industrial Training Association (JITA) and is now serving as senior adviser to several MNCs in Asia.

All GGI members, business partners and associates are welcome to attend the next Forum.

GGI member firm OPERA
Cooperation with the Russian State Hermitage Museum

A general agreement of cooperation was signed by OPERA, an independent Russian GGI member firm, and the State Hermitage Museum. It is the biggest museum in Russia and in 2012 is ranked among the top 5 museums worldwide. The agreement grants OPERA the status of general consultant of the State Hermitage Museum in finance, accounting, tax and law.

GGI member firm OPERA also manages The Hermitage XXI Century Foundation, a private foundation aimed at supporting the State Hermitage Museum’s programmes, including contemporary arts projects and the museum’s publishing projects.

OPERA is the general consultant of St. Petersburg State University, the official consultant of the Endowment Fund of St.Petersburg State University, and of the Academy of Fine Arts, also the official consultant of the Hermitage magazine.

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Development in Brazil

By Dr. Miguel Mantelli

GDP of around USD 2,500 billion makes Brazil the sixth biggest economy in the world. High growth rates, record exports and investments and fast growth in employment have raised economic policy interest in Brazil. Not only is Brazil the focus of interest in Latin America, but globally. The country is rated to be one of the fastest growing economies anywhere in the world. Experts anticipate that by 2015, Brazil will be the fifth biggest global economy.

The economic reforms introduced by Brazil, a founder member of the BRIC states, have brought the country International recognition. The most important raft of economic policy measures is the programme to accelerate economic growth (PAC – Programa de Aceleração do Crescimento), first introduced in January 2007 and extended in 2010 by PAC2. The economic programme for the period 2011 to 2014 places the accent on energy, the infrastructure and social urban development. It provides for investment totaling R$ 980 billion (approx. € 400 billion), most of which has been allocated to the energy sector (R$ 465 billion).

In general, huge economic potential is predicted for Brazil. This is attributable among other aspects to its advanced state of industrialisation, political stability and its vast wealth of raw materials, in particular, its huge reserves of iron. The Latin American customs’ tariff union, Mercosul, is adding further to the strength of the market and opening up a broad spectrum of opportunities for the Brazilian economy.

The 2014 World Cup Football championships will deliver particular momentum, as will the 2016 Olympic games and the development of extensive crude oil and natural gas finds along the South East Atlantic coast made in 2008. A high level of investment, from both the private and the public sector, is planned for the major sporting events.

GGI has also reacted to the upsurge in economic growth and rising interest in Brazil: Dr. Miguel Mantelli and his team have put together a raft of measures to increase the level of awareness of GGI in this economic region and to cultivate valuable contacts with leading representatives from politics and business in Brazil.

A highly effective step has been contact and coordination with the Swiss Consulate in Sao Paulo. In this respect, thanks are due to the recommendations and help given by representatives of the Swiss Embassy in Argentina, Ambassador, Johannes Matyassy, and the Business Consul, Dieter Cavalieri. The business representative of the Swiss Consulate in Sao Paulo, Martin Matter, with the aid of GGI member firm, Sao Paulo-based Sustainable Hub, headed by Antonio Lombardi and Altair Assumpção, organised a business breakfast at the residence of the Swiss Consul. The event took place on 7 June 2012 and was a complete success. It was attended by around 15 people from different firms and specialties (lawyers, CPAs and consultants) taking up the Swiss Consulate’s invitation, coming from towns and cities located in all the major Brazilian states.

The GGI representatives mentioned above included partners of Sustainable Hub, lawyers’ representative for the Latin American council, Dr. Gustavo Traversoni and GGI’s Regional Director, Dr. Miguel Mantelli.

Dr. Mantelli and his team have started the process of contacting each firm that attended the event. They will be visiting Curitiba and Porto Alegre in the near future and expect to sign up at least two more GGI members by the end of October. Their aim is to have about 15 further members in Brazil in the next 18 months.

GGI’s brand awareness is continuously increasing and its good reputation is becoming very well known throughout the region, including in diplomatic circles. The positive result of this project has inspired the team to organise a sub-regional (Mercosur area) meeting in Rio de Janeiro by the end of April 2013.
GGI member firm JungJin LLC

JungJin advises
Korean Investment &
Credit Capital Co., Ltd.

GGI member firm JungJin LLC has been appointed to the sell-side advisor of Korean Investment & Credit Capital Co., Ltd. (KIC Capital) on behalf of Korea Deposit Insurance Corporation, a Government Agency.

Korea Investment & Credit Capital Corporation is a Korea-based financial service provider. The Company operates in four business segments, including the equipment leasing segment, which offers contractual equipment and facilities; new technology business financing segment, which offers investment and financing services to new technology companies; loan segment, which provides loans, factoring, bill discounting and other financial services, and corporate restructuring company (CRC) segment.

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A whole of business approach ensures flexible future

By Terry Lawler

It is often said that there are two certainties in life - death and taxes. I would strongly suggest that the two certainties are in fact death and rapid change.

We are in rapidly changing times where the divergence in financial performance between the best and the worst is becoming greater. Volatility has become the norm and those businesses waiting for what they used to call “normal times” to return will have a very limited future.

These facts may also call into question the relevance of tools such as 5-10 year forecasts for many industries and the comfort they provided in the past. We cannot forget though that risk is a necessary part of the reward equation. Fast changing times produce increased opportunities and benefits, however, they will also produce increased non-performance if we do not understand and assess their impact. As stated in a recent presentation by futurist Ross Dawson regarding trends and the future, “The Law of Requisite Variety” states that ‘The only way you can control your destiny is to be more flexible than your environment.’

Environmental scanning and monitoring is rapidly growing in importance. It involves developing viable forecasts and future trends before they become a serious threat. More and more, past performance is not relevant to establishing the probabilities of future outcomes. In ...next page
developing business strategies, we need to consider the future trends and how we will monitor them and remain nimble if we are to achieve sustainable competitive advantage.

Scanning and risk assessment need to be part of the culture of the entire business. Understanding risk and the related management needs to be ingrained into how you do business.

This whole of business approach is far more relevant than the historical one of “delegating” risk to an audit and risk committee and reviewing risks based on annual and longer term audit plans. Company directors’ responsibilities clearly do not allow such “delegation” anyhow, but what needs to be emphasised is that understanding risk is a continual process. The management of these risks then needs to be part of the operational plans of the business.

What is critical is that the Board provides clarity regarding their risk appetite, as this clearly impacts corporate direction and governance systems. Too few Boards appear to do this and therefore they do not provide management and Board committees in particular with the appropriate guidelines for them to most effectively meet their responsibilities. Risk appetite and the understanding of it needs to be shared and accepted by management and the organisation generally. It is only with this commitment that businesses will be sufficiently prepared and nimble of mind and action to be successful.

Professional service firms are also experiencing rapid change, the associated risks and an inundation of information. These factors will probably mean greater specialisation and commoditisation, with generalists becoming more irrelevant. It is clear that the balancing of technology drivers, stakeholder expectations and economies that are becoming more and more networked will require different competencies, improved strategies and better quality leadership for firms to be successful.

I would also suggest that both firms and groups such as GGI will need to be even more strongly networked than is currently the case. Too often the challenge of networking just a firm’s internal capabilities is significant and also painful. This is where strong leadership is particularly required as the recalcitrant should perhaps not be part of the firm.

The same it could be argued applies to GGI members. We can be positive or negative about change and the need for flexibility. If we are not positive and flexible we will simply not be doing the best for our clients and there is no doubt someone else will happily take our place.

Terry has served on many national, state and local boards along with a number of business and community organisations providing business, internal audit, operational and strategic advice. He is the current Chair of Hunter Water Corporation, Life Without Barriers Limited, and Lawler Chartered Accountants and holds various Director and Advisory Board member positions, including Audit and Risk Committee appointments.

**GGI COMMON INTEREST**

**Gateway Thailand**

By Adirek Limsiriwong

Thailand has great potential to be the regional hub for foreign investors seeking business opportunities in Myanmar and other nearby countries such as Laos and Cambodia. Many foreigners see Thailand as one of the best destinations for continuing investment and a gateway for exploring business opportunities in neighbouring countries. For some reason foreigner investors are also concerned about restrictions placed on foreign participation in various business segments. Consequently, foreign investment relaxation has been considered by Thailand’s authorities.

Thailand is located geographically at the centre of the South East Asia region having borders with Malaysia, Myanmar, Laos, and Cambodia. It is also the natural...
gateway to Greater Mekong sub-region (GMS). The Greater Mekong sub-region is not geological, but a development project formed by the Asian Development Bank (ADB) in 1992. It brought together six states of the Mekong River Basin, namely Cambodia, Laos, Myanmar, Thailand, Vietnam, and Yunnan province of China, with a combined population of more than 300 million.

Based on ADB, over the last decade average growth of the GMS economies is about 7% annually. This makes the markets very attractive to foreign investors, including Thai investors looking for opportunities there. Indeed, Thailand can develop as the hub for foreign investors from around the world who wish to invest in these new emerging markets. Thailand has well-developed transportation corridors and infrastructure to connect these separated markets into one big fast growing market.

Thailand, Cambodia, Myanmar, and Laos are cooperating to develop a kind of “special economic zone” on their borders. As the Asian Economic Community (AEC) will be officially formed in 2015, the GMS countries will be a part of a larger economic community, a single market and production base with a population of over 600 million, encompassing 10 countries. Massive infrastructure and development are being planned and built. Thailand, as a more developed member, should be able to integrate other less developed members into their supply chains, providing them with technological know-how, together with abundant resources available in their countries. It will strengthen economic cooperation / agreement in government and at a private level. These developments will be both challenging and rewarding if Thailand prepares itself well.

We look forward to meeting many of you in Thailand for the GGI Asian Regional Conference in Bangkok in December.

Franchise in Panama

By Ileana Céspedes

Law 35 of 1996 whereby provisions concerning industrial property were enacted, established in its Article 126 that a franchise exists when, by means of the user license of a trademark, technical know-how is transmitted or technical assistance is provided so that the person to whom the franchise is granted may produce or sell goods or provide services in the same manner and with the operational, commercial and administrative methods established by the owner of the trademark in order to maintain the quality, the prestige and the image, which the trademark represents.

Panamanian legislation does not deal with the basic requirements of a user license contract by which a franchise is established. It only indicates that it is to be considered a franchise when technical know-how is transmitted or when technical assistance is provided in order to develop the business in the Republic of Panama while complying with certain quality standards.

This means that under Panamanian legislation both the franchiser and the franchisee shall only have the obligations and the rights contained in the user license contract, which is submitted to the Directorate General of Industrial Property of the Ministry of Commerce and Industries (DIGERPI) for its registration. Under Article 122, the following requirements have to be fulfilled in order to obtain the registration of a user license:

1. Personal or corporate name, nationality, place of organisation, number of identity certificate or personal identity of the parties.
2. Denomination and/or description of the trademark, together with an indication of the number and date of registration.
3. Specifications of the products or services covered by the authority to use the trademark.

...next page
4. Type and term of the user license.

For a user license to be registered with the Directorate General of Industrial Property of the Ministry of Commerce and Industries (DIGERPI), the trademark must be registered already otherwise the application will not be processed until the Certificate of Registration of the owner of the trademark has been issued.

The franchise contract in Panama is governed by the principle of the autonomy of the will of the parties as provided by the Civil Code, since the franchiser and the franchisee may freely establish their rights and obligations, as well as the jurisdiction to which they will submit in the event of a conflict arising from the franchise contract concerning a specific activity.

In order to establish a franchise in Panama, a corporation only has to comply with the existing legislation concerning industrial property and the other conditions required for it to operate, such as the Notice of Operation (commercial license), and in the case of franchises of food, it must have the respective health permits.

The first franchise to be established in Panama was in 1957 concerning the vehicles of frozen products of Tastee Freeze, and two years later, that is in 1959, the Dairy Queen franchise came into being and still remains in the market. The franchises that have developed more extensively in Panama are McDonalds, Kentucky Fried Chicken, Pizza Hut and Burger King.

There are also national franchises such as Pio Pio and Don Lee. The Authority for micro, small and medium enterprises, known as “AMPYME” in Spanish, is now developing models of franchises for these size businesses in the Republic of Panama. The main goal is to develop methods of a system of franchises in four stages:
1. Knowledge Stage: during which the investor will have the opportunity to learn every detail of what needs to be understood as a franchise.
2. Planning Stage: reviewing and establishing the strategy to adopt in the development of the franchise and the guidelines that are to be followed.
3. Execution Stage: all of the manuals discussed in the planning stage are executed and developed.
4. Establishment Stage: advisory services are provided concerning the establishment and actual operation of the franchise system in real time.

AMPYME is, with its model, mainly seeking to create a document for investors involved in the franchise system, to use as an instrument for planning, induction and consultation, in order to achieve knowledge of the franchise in its strategic, commercial and operational aspects, while at the same time identifying the expectations of the franchiser and the objectives to be achieved in the development of the project.

AMPYME has identified the following advantages or contributions of franchises to the national government:
- Fostering the development of “micro, small and medium” enterprises
- Creating jobs
- Fostering self-employment
- Increase in the quality and productivity of commerce and the services
- Increase in the GIP
- Increase in consumption
- Development of the investment
- Receipt of foreign currency due to export of franchises
- More offer of products and services in distant zones
- Regional development

Due to the construction of new commercial centres, there are now more than 200 franchises in Panama taking into account both the ones that are local and those that are international. The international ones are those prevailing in the market, and this is why AMPYME has chosen ten concepts to develop in the creation of franchises. They include beauty salons, ceviche sales, ice cream, roast meat restaurants, laundries, shoemakers and tailor shops, popular drugstores, child care centres, bakeries and confectionary producers.

Finally, the success of franchises in Panama is based on the trust and untroubled communication of the parties involved and the entrepreneurial will of the franchisee, as well as the professional administration of the franchiser.
UK Residency and domicile

New rules with a positive outcome

By Sonal Shah

The current rules on residency have been based on cases decided over a hundred years ago. The rules have never been easy to apply, they lack certainty and this has hindered international mobility. The UK government recognised that in order to safeguard the UK’s attractiveness as a destination for individuals and businesses, the current rules of residency were unsustainable. We have good news!

The government has proposed to reform the rules in this area and to bring much needed clarity and certainty. In June 2012 draft legislation was published for the Statutory Residence Test (SRT) with the intention to bringing such legislation into force with effect from 6 April 2013.

There will be three tests to determine whether an individual is resident in the UK or not:

1. The automatic overseas test
2. The automatic residence test
3. The sufficient ties test

Day-counting

The number of days spent in the UK will be important for all three tests. Day counting will continue to be essential part of the residency rule, in that one will look at whether the individual was physically present in the UK at midnight. Therefore it will be possible for an individual to spend a day in the UK without the day being counted for SRT purposes.

The automatic overseas test

If an individual meets any of the following conditions he will automatically be treated as a non resident in the UK:

- He was present in the UK for fewer than 46 days in the current tax year and was not resident in the UK in any of the previous three tax years, or
- He works overseas full time and:
  - Works in the UK for no more than 20 days (a day of work in the UK would be any day an individual works for more than three hours). The government is considering increasing either the number of workdays permitted to 25 days or increasing the number of permitted hours of work in a day to 5 hours.
  - Spends less than 91 days in the UK

The automatic residence test

If an individual meets any of the following conditions he will automatically be treated as resident in the UK:

- He spends at least 183 days in the UK in the tax year
- His only home is in the UK and it is available to be used for at least 91 days.
- He works full time in the UK.

The sufficient ties test

If the individual’s residence position is not established by any of the above two tests, the sufficient ties test must be considered. This test looks at the number of connections an individual

- He was resident in the UK in one or more of the previous three tax years and is currently in the UK for less than 16 days in the current tax year, or
- He works overseas full time and:
  - Works in the UK for no more than 20 days (a day of work in the UK would be any day an individual works for more than three hours). The government is considering increasing either the number of workdays permitted to 25 days or increasing the number of permitted hours of work in a day to 5 hours.
  - Spends less than 91 days in the UK
Linking residency rules to domicile:

The determination of UK residence is an important factor as it is a trigger for liability to UK taxation, the extent of which will also depend on the individual’s domicile. The concept of domicile is completely different to that of residency. Whilst the above rules apply for residency, domicile is a different concept and relates to the country which you consider to be your home. The law of domicile recognises that people are able to come and live in the UK without necessarily considering UK to be their home.

There are many tax advantages a UK resident non domicile can enjoy. These include exemption from UK Income Tax on unremitted foreign income, exemption from UK Capital Gains Tax on gains arising from unremitted sales proceeds and exemption from UK Inheritance Tax on foreign assets.

In general UK resident non domiciled individuals have the opportunity to be taxed on the remittance basis. This means that individuals are taxed on overseas income and gains only when the income or proceeds are brought to the UK. However, individuals who have lived in the UK for seven years out of nine tax years would have pay an annual charge of £30,000 per year to benefit from the remittance basis of taxation. The annual charge is increased to £50,000 if an individual is resident in the UK for 12 years out of 14 tax years.

A further tax advantage for UK resident non domicile individuals is that such individuals can remit their overseas income or capital to the UK tax free, for the purpose of investing in companies which carry out trading activity on a commercial basis or undertake the development or letting of commercial property.

There are many factors to take into consideration, and we are happy to assist anyone who is concerned that the new rules is likely to impact their tax status – or indeed who want to see how the new rules can create opportunities that are tax efficient.

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**The tax return preparation cycle is a bit like the Olympics**

_By Nick Brennan_

Well it is a cycle.

It starts as a marathon and ends with a sprint.

Along the way, there will be hurdles to face, targets and sometimes you will come across pools and penalties.

Coaching/training will be provided and some courses are sponsored.

It’s all hard work and grafting to get clients to send in the information early.

Sometimes you just dive in, other times you may perform mental gymnastics with some of the tax rules which may necessitate weightlifting the yellow tax handbooks.

Yesterday, I hopped on the tube to go and see a client, skipped lunch and jumped into the preparation of his return which meant creating records on my lap-top.

You may need to box clever with “Her Majesty’s Revenue and Customs” (HMRC) but be careful not to sail too close to abusive avoidance.

After five rings I give up calling HMRC.

When partner X enters the tax depart-...next page
I hammer home to staff the firm’s gold medal standard of service to clients, but that there is no silver for second best.

And finally, the taxman takes your clients’ money to pay for the Kinks’ Ray Davies to perform at the closing ceremony.

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Cross-border M&A knows no boundaries

Even though 2012 is far from over, the M&A Practice Group has already undergone quite a transformation. As mentioned earlier this year, the Group welcomed many new names, bursting with innovative ideas and eager to exploit the M&A Practice Group to the fullest. The newly appointed Global Chairman, Tim van der Meer, and Global Vice Chair, Helen Robinson, take the lead in developing and executing the Group’s new strategy.

Experience shows that the complex nature of mergers and acquisitions requires both the deal-making expertise of M&A boutiques and specialised skills of an accounting or law firm (for example for an independent due diligence). This creates a win-win situation for GGI members from the mentioned fields, providing them with distinctive but complementary roles throughout the process. For this reason, GGI wants to stimulate members to become more involved in the M&A Practice Group and contemplate forming cross-border M&A teams with fellow members.

The strategy’s short-term goal involves underlining the importance of the M&A Practice Group for all GGI members and clearly conveying its objectives, namely:

- Increase business / professional knowledge between members
- Increase awareness of members’ expertise
- Provide a valuable network of specialist advisors for clients
- Increase business referrals between members
- Encourage cross-border activity and joint projects between members

...next page
In order for GGI to achieve its goals, the Group’s efforts will focus on attracting new members, encouraging active participation during events and sharing knowledge and expertise. The main marketing and knowledge-sharing tool will be the M&A Practice Group website, which will serve as a platform to gather and exchange relevant information about M&A. Additionally, it will provide members with the opportunity to present their companies and relevant M&A experience, both to fellow members and (potential) clients.

The Practice Group has already had two meetings this year, in Miami and Cannes, during which the new plans were discussed. GGI is proud to say that the updated strategy received positive response and it has been reported that the increased networking within the Group has already resulted in several new international assignments.

The Practice Group events are aimed at sharing knowledge and discussing best practices. If you are engaged in the field of M&A or wish to get involved, you are kindly invited to attend our next meeting in Rome on 19 October. The Practice Group Meeting is combined with the annual GGI World Conference and your involvement via discussion is highly appreciated. Throughout the day, members will be provided with the opportunity to submit their company details and M&A sample cases, which will be presented on the website. Participants will also have the opportunity to view the brand new website, which is scheduled to be launched towards the end of October.

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Trust & Estate Planning
International Families:
Planning Considerations for US Beneficiaries of Your Foreign Trusts

US Beneficiaries of Your Foreign Trusts

The mobility of wealthy international families often results in a family member moving to the United States while being a beneficiary of a foreign trust or a US family member becoming a beneficiary of a foreign trust settled by a non-US relative. Numerous pitfalls to proper planning can be avoided by those advising the settlor, trustee or beneficiary.

Timely United States Tax Advice

Often those involved do not seek proper US tax advice until it is too late. In a perfect world, both the settlor and the trustee would obtain independent US tax advice prior to creating the trust if it is known in advance that at least one US person will be a beneficiary of the trust.

Flexibility

If it is not known in advance, ideally both the settlor and trustee would obtain independent US tax advice once a US person becomes a beneficiary of the trust. It may even be appropriate for the beneficiary to obtain independent US tax advice as well. While the amount of attorneys’ fees incurred to obtain such advice is worthwhile compared to the US tax savings that can be achieved, often such advice is not timely obtained due to the costs involved and the reluctance of the settlor and/or beneficiaries to agree to the expense.

Cantor & Webb P.A.

Trust & Estate Planning
International Families:
Planning Considerations for US Beneficiaries of Your Foreign Trusts

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Cantor & Webb P.A.
the beneficiaries. This may result in unfavorable tax and non-tax consequences. Accordingly, provisions of the trust instrument should be made flexible to deal with contingencies and unforeseen events.

United States Person With Powers Over The Trust

Many trusts provide an individual with various powers over the trust as a protector or otherwise. If a US person is a beneficiary of a trust and has a power to remove and replace the trustee of the trust without any restrictions as to the reason for the removal or as to who can serve as the new trustee, the power may be treated as a general power of appointment over the trust with adverse tax consequences (particularly if the trustee can make discretionary distributions). Providing for any power over a trust should be carefully considered to determine if there are any tax consequences concerning the power if its holder is or will be a US person.

Maintaining Foreign Entities

Many trusts hold title to financial assets indirectly through a wholly-owned foreign company. Doing so triggers various US tax issues, particularly if the foreign company becomes treated as a passive foreign investment company or controlled foreign corporation.

Purported Gift From Foreign Company

A purported gift is any transfer of property made by a foreign company to a person who is not shareholder, except a transfer for fair market value. With certain exceptions, if a US person receives a purported gift directly or indirectly from a foreign company (as opposed to a distribution directly from the trust which owns the foreign company), the purported gift must be included in the US person’s gross...
income. Trustees should avoid making purported gifts from a foreign company to any US person.

Dividends

If the foreign company has retained earnings when the trust becomes a non-grantor trust (i.e., upon the death of the settlor), then part or all of the retained earnings may be subject to US income tax when they are distributed from the foreign company to the trust. To avoid this result, the foreign company should regularly declare and pay dividends to the trust. The trust should regularly thereafter re-contribute to the foreign company any funds not needed by the trust and thus minimise or eliminate the amount of its retained earnings.

Recognise Gains

Upon the death of the settlor, the trust would receive a “step-up” in its adjusted basis (historic cost) in the foreign company shares but not to its underlying assets. If the assets of the foreign company have appreciated in value during the lifetime of the settlor, part or all of the appreciation may be subject to US income tax after the settlor’s death. In order to minimise or eliminate income tax, from time to time during the lifetime of the settlor the foreign company should “step-up” its adjusted basis in its assets by selling its appreciated assets then reinvesting the sale proceeds. If the same assets are repurchased immediately after the sale, they should not be repurchased on the same day they were sold. Before selling any assets, the foreign company should consider the domestic and foreign tax and non-tax costs and other issues associated with selling assets and purchasing new assets.

Utilizing A Disregarded Entity

If a foreign revocable trust directly or indirectly owns assets which are not considered “situated within the US”, it may be prudent for the trust to hold title to those assets through an entity which is disregarded for US tax purposes (such as a single member domestic LLC or a foreign company that has validly “checked-the-box” to be treated as a disregarded entity) instead of through a foreign corporation. If, at the time of the death of the settlor, the trust holds title to assets which are not “situated within the US” through a disregarded entity, then the adjusted basis of the assets of such disregarded entity would be “stepped-up” and the disregarded entity would never have any retained earnings (for US tax purposes). It is therefore not necessary to regularly recognize gains and regularly pay dividends. Those assets would not be subject to any US estate tax by reason of the death of the settlor. Certain exceptions may apply, however, such as if the trust was not properly funded.

The foregoing is just a small sampling of the vast number of applicable planning opportunities to deal with complex issues when a US person is involved with a foreign trust.

Cantor & Webb P.A. is a Miami, Florida based law firm focused on the representation of high net worth international private clients and family offices in the areas of international tax and estate planning, tax compliance, wealth preservation and commercial matters. The firm has established a legal concierge oriented practice which caters to the unique needs of their international private clients, servicing clientele predominantly from Latin America, the Caribbean and Europe.

Private Equity and International Wealth Management

Where are we going in the current climate?

Prof. Robert Anthony

European Property in the residential sector sales seems to have slowed down substantially. Whilst London and Paris as well as other capitals still seem to be selling, it is much harder to obtain finance. This results in a diminution of volume. Certain...
prime assets remain in demand and the purchasers obviously are better protected due to their liquidity.

In many places home owners are managing to hold their prices, but one can see for those needing to sell have to accept negotiations on prices. However, there are always exceptions, especially at the top end.

The banking crisis has created a very difficult arena for private banks. Margin calls increased interest rates on renewals and clients being asked to leave are common occurrences today. Investment strategies are being policed by the banks especially on charged assets. The problems of conflicts of interest and corporate governance, whilst understood, are weighed in accordance to the considered risk liability and are often ignored. This is especially seen in banks that are multi-tasking in order to vacuum up the maximum revenues. Litigation and responsibility have not been costed into their margins, nor has the issue of money laundering. However, now private banks go overboard to avoid personal liabilities often unnecessarily turning down good clients. Some what worrying in this current environment, is where government and European legislation needs to resolve this greed and total disorder.

The sovereign debt crisis that was created by speculators, press, and indecisive long government decisions has caused investors to accept low returns. The focus on corporate debt and pressure of tax increases as well as Basle three have taken liquidity out of corporations and squeezed private clients, reducing banking facilities and corporate investments. The musical chairs of political parties being punished by this crisis, whether they are good or bad, policies, has formed new governments voted in with draconian fiscal policies often ill adapted to create growth.

To where does all this lead? The considerable changes in tax treaties and personal and corporate taxation in all countries necessitate a review of one’s global assets, their structure and current strategy. A debt costing more than investment gains is easily realisable. An illustration is treasury yielding near to 0 and debt costing 4%. A review of pension and the investment and fiscal strategy is important, as is reviewing estate planning which should not be ignored. With all the recent changes, accountants and lawyers should be teaming up with wealth managers to protect their clients. Oh! And incidentally this should not exclude you. I recently made substantial savings by taking my own medicine.

Independent advice, alongside the private bank, working with expert professional advisors is not only useful but the savings could substantially outweigh the costs.

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Win
The Key Principles to Take Your Business from Ordinary to Extraordinary

From the New York Times bestselling author and top pollster Dr. Frank Luntz comes an unprecedented examination of communication excellence and how top performers win in all areas of human endeavor by utilizing superb communication skills. From Mike Bloomberg and Arnold Schwarzenegger to business icons Rupert Murdoch, Steve Wynn, and Fred Smith; to the CEOs of MGM Resorts, J. Crew, and Gibson Guitar; to legendary sports superstars like Larry Bird, Jimmy Connors, and Mike Richter; to media legends Roger Ailes, Don Imus, and dozens more, Luntz tells their stories—in their own words—and demonstrates how their style of operation and communication is absolutely essential to their success. Luntz makes it clear that following the rules of effective communication is indispensable in any successful human endeavor.

Dr. Luntz offers more than seventy new “words that work” for private one-on-one meetings with your boss, for public presentations to hundreds of colleagues, or for television appearances that reach millions. There are more than three dozen specific lessons and recommendations—and each one directly illustrates the nine essential action-oriented principles of winning at every level: People-Centered, Paradigm-Breaking, Prioritizing, Perfection, Partnerships, Passion, Persuasion, Persistence, and Principled Actions.

Do you have what it takes? Win is an unprecedented examination of the art, science, and language of winning, and a must-have for people who want to understand and emulate the winners of today.

Do you have what it takes to win? Do you know the words that work? Find out more inside.

WIN
The Key Principles to Take Your Business from Ordinary to Extraordinary
By Dr. Frank I. Luntz
Conferences and events

What: Protecting Your Client in the Current Environment: Residential Real Estate Contracts & Leases
Where: New York, United States
When: 03 October 2012

Brief description: The use of “riders” to alter and expand the standard forms of real estate contracts and leases (co-ops, condominiums and houses) is becoming more and more prevalent and important in the ever changing residential real estate market. This program will focus on the important provisions which attorneys are including in these riders. Examples of provisions that will be discussed and evaluated include “Rent to Own” agreements, mortgage contingencies (loss/expiration of commitments after contingency period), sale of existing property contingency, requirements of co-op boards regarding maintenance escrows, co-op & condo riders - representations regarding noise, leaks & construction, “As-Is” provisions, certificate of occupancy provisions & post closing possession. This program is a must for all attorneys wanting to gain the knowledge needed to properly safeguard and advise clients in real estate transactions. This program’s updated content will provide CLE credit to all attendees, even if they attended in the past.

More information

What: Process Excellence in Financial Services
Where: Nairobi, Kenya
When: 05-07 November 2012

Brief description: This highly interactive 3-day workshop has been specifically designed to improve efficiency for senior managers working in the financial industry. You will:
- Understand why processes drive the short term and long term success of every organisation
- Learn how to design processes that will deliver excellence for both the customer and the business
- Develop knowledge of the latest thinking in Operations and Process management
- Become confident in using improvement tools and techniques and also be able to teach others to use them too
- Apply the principles to the workplace to deliver real bottom line value

More information

What: Preparing Effective International Contracts
Where: London, United Kingdom
When: 19 November 2012

Brief description: Those involved with international contracts will find this one day seminar led by Susan Singleton, highly informative. Attendees will:
- Learn how to ensure that your country’s law apply to a contract
- Hear about the latest developments in international contract law including new EU rules
- Gain an understanding of the international differences in key areas such as liability and indemnities
- Take away tips on how to avoid pitfalls when drafting contracts
- Compare experiences with fellow attendees from across Europe

More information

What: Cross-border Successions within the EU - The new EU Regulation of 4 July 2012
Where: Trier, Germany
When: 22-23 November 2012

Brief description: The new Regulation (EU) No 650/2012 of 4 July 2012 aims at simplifying the settlement of international successions and will ease the legal burden when a family member with property in another EU country passes away.
Under the Regulation, there will be a single criterion for determining both the jurisdiction and the law applicable to a cross-border succession: the deceased’s habitual place of residence.
People living abroad will, however, be able to opt for the law of their country of nationality to apply to the entirety of their succession. The Regulation will also permit citizens to plan their succession in advance in more legal certainty. This new instrument paves the way for the European Certificate of Succession which will allow people to prove that they are heirs or administrators of a family member without further formalities throughout the EU.
The conference will provide an in-depth discussion of the most topical issues regarding successions and wills in a European context.

More information
Conferences and events

**What:** Risk Based Internal Auditing  
**Where:** London, United Kingdom  
**When:** 26-30 November 2012

**Brief description:** In this three day course you will:
- Uncover how to adopt a risk based approach to internal auditing
- Review enterprise risk management and how to effectively establish a framework in your organisation
- Evaluate internal audit's readiness to adopt a risk based approach
- Develop a plan for how to implement risk based auditing

It has become abundantly clear from past corporate missteps and such pronouncements as the COSO ERM model, the recently issued GTAG on continuous auditing and risk assessment, and the IIA position paper on enterprise risk management in the UK and Ireland, that the internal audit department must align itself very closely with the business in order to assume a vital role in the overall success of the organization.

In addition, increased reliance of senior management and the audit committee on the competence of the internal audit staff necessitates that IA maximize the quality and impact of all of its efforts. To fulfill all of these expectations many organizations are taking a risk-based approach to their audits.

In this intensive three-day seminar you’ll see for yourself why audit functions that focus their efforts on significant risks are able to concentrate their resources on issues that drive their businesses.

You will learn how to put in place a risk-based approach that is truly business oriented. You will gain an understanding of what is necessary to make your audit function totally risk based; learn tools, techniques and methodologies that will boost auditor productivity and bullet-proof audit plans; and discover how to convert the entire audit process to a risk-based approach that will take you from planning all the way through to report writing.

Throughout the seminar class exercises will allow you to hone your risk-based auditing skills. You’ll leave this session with a specific understanding of what is necessary to be risk-based and how to implement this approach.

Conferences and events

**What:** Pension Fund Strategy  
**Where:** Singapore, Singapore  
**When:** 28-30 November 2012

**Brief description:** The Global Economic crisis has resulted in large losses and shortfalls in pension and retirement schemes, which, has placed huge pressures on Corporate and Government balance sheets. Several countries have a significant share of savings earmarked for retirement either through private individual savings plans or via Government pension funds. But despite rising savings rates, numerous gaps exist in private and public retirement plans and finances.

Furthermore, ageing populations in many countries are creating a significant pension burden that will require innovative and radical asset/ liability management strategies for years to come.

**Why a pension fund strategy course?** Ensuring sufficient resources for retirement encompasses a complex set of decisions involving assumptions on asset returns, interest rates, inflation rates, longevity and future salary growth.

With inflation rising in many economies, pension funds are increasingly looking to invest in real assets like infrastructure and real estate to hedge against the threat of rising inflation.

This comprehensive course addresses many of the pension issues from both the asset and liability perspectives to give you a holistic appreciation of the complex issues involved.
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