

EXPAT SECRETS

How To Pay Zero Taxes,
Live Overseas & Make
Giant Piles Of Money



Mikkel Thorup
ExpatriateMoneyShow.com

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FORWARD

*“FINALLY, A BOOK THAT ANSWERS
YOUR QUESTIONS ABOUT LIVING AN
INTERNATIONAL LIFE”*

By David McKeegan

Here are some questions you may be wondering... if I leave my home country will I have a better life? Is it safe? Do I pay too much in taxes back home? What are the benefits of having a second passport... and how the heck do I even get a 2nd passport?

After reading *Expat Secrets* many of your questions will be answered and you will be exposed to many new ideas which will light your brain on fire! Honestly, if I had had this book in my hands 15 years ago my life would have been considerably easier.

I met Mikkel Thorup at a time when I had already been an expat for 15 years and had to learn most of what is discussed in his book the hard way; by trial and error.

My wife and I are Americans who moved overseas to study and to continue our careers. We realized that living and working in the UK, while wonderful, was not what we wanted from life so we relocated to Bali, Indonesia with our family. Moving not once, not twice, but three times with family in tow!

There are many things that must be dealt with when moving from one country to another and I can tell you it is a real learning curve; one of the most important things I learned was that you need to be flexible.

Things are not going to be the same as they were back home, sometimes they will be better and sometimes worse, but they are never the same. As a result, life can be very challenging for many expats. Everything from where to buy your kids healthy cereal to how to save and invest for your future. *Expat Secrets* looks at many of the issues expats face and offers

practical advice and guidance on how to navigate some of the more complicated topics.

Subjects such as Offshore Banking, Medical Tourism, and Digital Security are often considered taboo and only come up when speaking with close friends. Investing and diversifying are topics we should be thinking about and discussing daily, but 99% of the mainstream conversation is country specific and loses relevance for non-residence.

Second passports and tax residency all too often just blow people's minds! Through a combination of planning and accident I have discovered and learned how to do many of the things discussed in this book – my family all have second passports, we have multiple banks accounts and savings in multiple countries, our pediatrician is a 2-hour flight away, in a country where the medical care is much better than where we live.

Save yourself 15 years of trial and error, read *Expat Secrets* and you can start reaping the rewards of the expat lifestyle immediately

David McKeegan

Co-founder of Greenback Expat Tax Services

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And to my followers, your support has been exceptional. Without you, none of this would have ever happened. Every day I wake up with the solitary goal of serving you and have dedicated my life to helping you succeed.

To all of you I would like to say - Thank You.

To my three girls;

Melissa, Susan & Eleanor

I love you

INTRODUCTION

“A good traveller has no fixed plans, and is not intent on arriving.”

- Lao Tzu

Whether you're coming to this book through my Podcast; The Expat Money Show, my Articles; The Expat Money Blog, my Newsletter; EMS Pulse or just happened upon it randomly, you should know that I'm always hammering home the importance of getting out there and seeing the world.

For me personally, the connections and relationships I've built up through my 20+ years of globe-trekking have been absolutely instrumental in making me the person I am today.

Travel opened up my mind and helped me escape many of the limiting belief patterns that had held me back as a teenager and young adult. It taught me that there's far more to being successful than a college education and a corporate job. That you cannot rely on your government to take care of you and that being responsible for yourself and everything in your life is the key.

By travelling, I learned that I could actually live life on my own terms professionally and personally. If you're looking for that kind of life, then this book is definitely for you.

I want to give you a real blueprint for becoming truly location independent. As someone who's visited more than 100 countries across 6 continents (Antarctica's still on the wishlist), lived as an expat in 7 countries, built multiple businesses abroad, owns Real Estate in China, Bonds in the UK, Gold and Silver in Singapore, Options and Stocks in North America (but getting out now as this is massively overbought!), plus, has a home in the

Middle East and has opened bank accounts in dozens of countries

And from a personal side, I met my wife in Germany, she's from China, I'm Canadian with Danish heritage, we got married in the Seychelles in Africa and our Daughter was born in the UAE.

Taking all of this into account, I think that I can offer a unique perspective on how to go live life in a more internationally diversified way and I can show you how to do it for yourself in a practical, workable manner.

The book is broken into 14 distinct chapters that will take you from where you are today to living a more international life in record time. From paying high-income tax to being tax-free. From having income in one currency to multiple streams of income in multiple currencies. Basically from knowing nothing about global diversification to being the next Jason Bourne.

And all this with a greater degree of control and protection over your life and assets

My invitation to you is to use the additional resources that are included with the purchase of this book. You can find them at www.ExpatriateMoneyShow.com/bookbonuses

In it, you will find:

- Contact information for trustworthy lawyers and CPAs I have worked with who understand the offshore markets.
- Current international investments that safely pay out 12% to 16% in annual returns like clockwork with zero effort from your side.
- Offshore banks that I have vetted who have sound balance sheets and you don't have to fear them being reckless and gambling with your money.
- You will get recommendations to the best facilities in the world for Medical Tourism (that are half the price of those in your home country).

And a host of other resources that we will discuss throughout this book. I promise you will find these resources invaluable to you in your journey as an Expat.

If you need additional help or want an introduction to a trustworthy professional who is not listed in the bonus section listed above, please feel free to contact my team at

Support@MikkelThorup.com

Always Remember, Endeavour to Greatness

Mikkel Thorup

PART-1: STRUCTURE

TAX RESIDENCY

“Government’s view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it.”

-Ronald Reagan

Taxes are one of the first things that people think about when moving overseas. There are huge advantages to being a resident in another country. Let me break it down in terms of raw numbers.

If you’re a Canadian, like me and you’re making good money, you can expect to pay out anywhere from 40% to 49% of your income in marginal taxes. America is no different; the highest earners there are taxed around 50% of their income depending on their state of residence, and you’ll find similar tax brackets in other Western nations like the UK and Australia.

That’s a huge portion of income that could otherwise have been reinvested into growing your business, purchasing sound investments that create wealth for you and your family or spending the money on life-changing experiences like around the world travel.

Therefore I always recommend checking out the tax laws in other countries before making a move abroad, it can really help with the decision-making process of where you should live.

In regards to taxes, you want to make sure that income tax rates are conducive to entrepreneurship because if you really want to be location independent, then earning money online is a direction you are most likely to

head in.

While sales and property taxes can make a difference, they're not going to affect your bottom line the way that income tax does. For example, here in the UAE I pay zero income tax on my revenue. However; there was a VAT of 5% initiated in early January of 2018 on goods & services. This did raise the prices of household goods somewhat, so if you're moving with a family that might be something to consider; but in terms of my operating reality, almost no material effect.

There are a number of other Middle East countries just like this; you've got Oman, Bahrain, Qatar, Kuwait even Saudi Arabia. Many of these countries might not offer the same opportunities as the UAE, but they're definitely options to explore.

If the Middle East doesn't do it for you, there are a bagful of other countries you could look into including the Bahamas, any of the British Virgin Islands, Brunei, Cayman Islands, Monaco, Turks and Caicos, Vanuatu and a host of others.

Again, there are definitely other considerations that go into your choice, but your take-home profits should play a central role in that decision-making process.

We will cover how to set up your own business in a more tax favourable manner later on in this book, but residency is something that should be looked at before anything else.

But before we get too much into it, I will mention here that there is an additional philosophy that is an option; often abbreviated as PT; it stands for "perpetual traveller", "permanent tourist", or "prior taxpayer" depending on who you talk to.

Basically listing yourself as a non-resident in your home country and staying on tourist visas in other countries. Most countries in the world will allow you to stay from 90-180 days without having to get a special visa, and if you are

mindful of your time there you can leave before the cut off of being a resident and being required to pay taxes.

Often you will just need to leave the country for a day or so before returning and resetting the figurative time clock on your stay.

And as a tourist, you still have access to many of the same options available to residents of the country; including owning a home, building a business, and being able to drive a car.

For people who prefer to have a home base in a country abroad and do not want the hassle or uncertainty of leaving the country several times a year, then permanent residency is the way to go.

Often this can be accomplished by having an employer sponsor you, making an investment into the country like real estate or government bonds or you may even qualify for a special retirement visa.

There are many options available to you and in a lot of instances other countries welcome Expats with open arms. It allows them to bring in skilled workers or foreign capital into their economy in a very efficient manner.

I think it is important to mention that you can actually have permanent residency in multiple countries at the same time. This works as an excellent ‘insurance policy’ in case something happens to the country you are currently living in.

For example; you could be a British citizen and live in Thailand on a tourist visa. You could enjoy the beaches of Phuket or the mountain life in Chaing Mai, working from your laptop as a freelancer or building a drop shipping business from scratch. At the same time, you could also be a tax resident in Panama which only taxes income on money made inside the country (causing you to be exempt). Or you could run your business through Panama or another offshore jurisdiction like BVI which has very strong asset protection laws. I’m using these countries as an example, but there really is a host of other countries who are happy to have your business listed there.

On the Panamanian side, permanent residency here would also start you on the process of obtaining a second passport. As for how to get permanent residency in somewhere like Panama (or anywhere else) I am hesitant to give specific information in this book as international laws change every day, and what might be true at the time of writing could cease to be so.

But understand that countries all over the world are interested in and offer residency programs to people just like you. I have held residency in a half a dozen countries over the last 20 years and although it can be a lot of paperwork, the process is not that bad. If you feel you need help with these types of matters, feel free to reach out to my team who can set you up with an attorney who specializes in these matters.

At the end of the day, my opinion is Tax is theft and you should do everything in your power to eliminate your tax bill using all legal options available to you. One of which is living abroad in a tax-free country as an Expat.

If you would like help setting up residency in a new country or access to insiders secrets on how to cut your tax bill; we have up to date resources for you at

www.ExpatMoneyShow.com/bookbonuses

SECOND PASSPORT

“I handed my passport to the immigration officer, and he looked at it and looked at me and said, ‘What are you?’”

-Grace Hopper

I talk a lot about investing in yourself on my podcast; The Expat Money Show and taking the time to get a second passport is absolutely a prime example of this. Dual nationality helps you break free from the frustration of visa applications and travel restrictions, it opens up investment horizons and ultimately serves as a real stepping stone to internationalizing your life.

If you're new to international travel you might not be so sure about the implications of a second passport. Basically what I'm talking about here is obtaining citizenship in another country. The second passport itself is just a travel document that gives you the right to live, work, and invest across multiple international borders without restriction.

SAFETY

If we're going to look at some typical examples of where this could come in handy, think about the crisis that's going on in Syria right now; where so many people have been forced to resort to desperate measures to escape from an essentially unlivable situation in their home country.

There are a number of countries where that prospect doesn't seem so far-fetched at all. If you have a second passport in say, Brazil, you now have the ability to leave your place of birth at a moment's notice, and head to somewhere where you're far from the threat of violence and constant

instability.

With no second passport, you're struggling to secure refugee status in a world that's becoming increasingly hostile to the prospect of unchecked immigration.

I'm just using Brazil as an example here, but pretty much the same principle applies to any number of countries in the world that will allow for dual citizenship. This is probably one of the main reasons why having a second home is so important. Of course, one of the other big benefits that you receive with a second passport is a wider spectrum of travel.

Different passports will give you access to other countries. For example, most Western-nation passports will allow you to visit around 100-170 countries completely visa-free which is a huge advantage for anyone that works globally. But even then, as a Canadian, there are some countries that I may not be able to reach with such ease. Say, if I want to travel through India, China or Russia, I will still need to apply for a visa that places considerable limits on my ability to move freely.

UNIMPEDED TRAVEL

On the other hand, if you're from Singapore or Japan you can actually travel to China completely visa-free (the same applies to Armenians and Bosnians for Russia). When you're looking at getting a second passport, think about coordinating the visa-free travel options so that you can get the most benefit.

Just from a personal perspective, I can definitely say that getting another passport really helps to throw off people's initial impressions when you enter a country. I think we're all aware that there are certain countries that don't have the best international reputations, and it's definitely nice to come in with a different passport and be able to say you're from a different country to avoid the stereotypes and negative press that might come packaged alongside your passport.

I know that people from the United States in particular, can often experience backlash due to some of the implications that surround their nations foreign policy; that's the kind of situation where a second passport can really help. The same holds true for Russian and Chinese expats who are looking to escape the restrictions and misconceptions that go alongside their primary passport.

The influx of wealthy foreign businessmen enrolling in America's EB-5 Immigrant Investor Program is a perfect illustration of this concept.

And thousands of citizens from visa and trade-restricted countries like Pakistan, Iran, Iraq and several other countries affected by the Arab Spring are putting their savings in second citizenship programs in an effort to broaden their travel and trade options.

As a result St. Kitts and Nevis have been able to reduce their national debt by 60%, so there are obviously clear benefits for both parties here. As political uncertainty increases across the world, I can only imagine that more of these initiatives will start coming into effect.

TAX IMPLICATIONS

A second passport/citizenship can also entitle you to some absolutely massive tax benefits that I'll talk about in more detail later in the book, but right now, I want to talk about tax implications of your citizenship, because there's so much to say. Let me give you an example.

If you're a French citizen and you're thinking of getting a United States passport, you have to be aware of the fact that you're always going to be paying taxes to the U.S government from the moment you've qualified for that citizenship. No matter where you are in the world you are now indebted to Uncle Sam. Currently, the United States is the only country that imposes these restrictions on its citizens, well, apart from the tiny African nation of Eritrea which is known to have a multitude of human rights violations

inflicted by its government.

My point here is that you always have to be very mindful before making the decision to get a second passport. This is a real challenge that crops up with accidental citizens a lot. People who were born in the United States during a vacation or temporary foreign posting will earn an American passport and citizenship just by dint of their place of birth. Then their parents will take them back to their home countries completely oblivious to the fact that this little baby will be liable to pay taxes in the United States for the rest of his working life, even if he never steps foot in the country again. In a lot of these cases, people actually end up renouncing their US citizenships to get out from under the heel of that additional tax burden. Again, these are real examples of why you need to be so mindful about tax laws.

EXTRADITION LAWS

Alright, I'm going to preface this by saying that I would never encourage active law-breaking in any country on Earth. Nevertheless, the fact remains that sometimes people do manage to run into legal difficulties. In these cases, if you have a second passport in another country you may actually be able to escape the long arm of the law.

Places like Brazil and France have firm no-extradition policies in place, which state that they will never extradite any of their citizens under any circumstances. Again, depending on your country of birth and the nation you move to you may find that your second home has specific non-extradition treaties in place that prevent them from sending you back to your place of birth.

While I'm sure that this isn't going to be a primary concern for most of you, it still pays to be aware of the options you have available in all circumstances.

One of the biggest things to note here is that not all non-extradition treaties are created equal. While countries like Mexico and Colombia might not have

any formal extradition treaties in place with the US they have still shipped back hundreds of suspected criminals on an ad hoc basis. In these cases, it's more important to look at the overall relationships and history between the two nations before making any judgments.

Some countries that have a strong reputation for refusing to export their citizens are: Brazil, Switzerland, Ecuador, Brunei, Russia and China. Most of these countries are wealthy enough to withstand pressure from international law enforcement agencies. If you're seeking out a second passport in these places then you might find it a lot harder to get access if you already have a criminal record under your belt. China, for example, will not allow in any individuals who have prior convictions under their name. This is why you need to get your exit strategy in order beforehand.

DIVERSIFY

For me, I think one of the biggest things to keep in mind is that we really don't know the future. By limiting yourself to just one nationality you're agreeing to live with one passport under one government for the rest of your life. What do they say about not putting all your eggs into one basket again?

No matter how patriotic you are, the truth is that you don't know what your country's economy, political situation and business environment are going to look like 20-30 years from now. With a second passport, you don't have to rely on those variables to guarantee a good quality of life.

You only have to look at Edward Snowden or Julian Assange to see what happens when you start broadcasting information that the government doesn't want to be leaked. But it might take even less to fall on the wrong side of the authorities. Think about how certain legal businesses have been outlawed by sweeping legislations in recent years, what would you do if your primary source of income was suddenly wiped out and seized? It happened during prohibition, didn't it?

After Snowden blew the whistle on the NSA's shady surveillance regime, he immediately fled the United States in order to escape the assured legal repercussions of his actions to Hong Kong. Unfortunately, while he was in Hong Kong the US government had almost immediately filed charges against him and were putting initiatives in place for his arrest. While Snowden was initially intent on staying in Hong Kong to fight his case, his situation soon became untenable. He was smuggled out of the country a couple of days later by Russian diplomats and taken to Moscow where he was supposed to board a flight to Venezuela.

At the time Venezuela was under the control of Hugo Chavez, a dictator who was notoriously hostile to Western democracies – the country seemed as good a choice as any for escaping extradition. Unfortunately, that trip to Venezuela never took place. Before Snowden could board, the US government cancelled his passport.

Today, Snowden remains in Russia where he is housed in a secure facility near the Kremlin. Considering the Russian government's own track record with dissenters that seems to be a precarious position, to say the least. Imagine how different things could have been if he had a second passport in his back pocket.

4 WAYS TO GET A SECOND PASSPORT

CITIZENSHIP BY ANCESTRY

If you've got foreign lineage in your blood then you're in luck. A lot of countries offer citizenship by descent to individuals that can prove their ancestry through one or both family lines.

This type of citizenship is known as jus sanguinis. Depending on the country your ancestors came from you might be able to qualify for citizenship despite generations of separation (see Hungary and Italy below).

The best way to figure out your options is by talking to immediate and extended family, see if you can work out any European connections, in particular, because a lot of EU countries will welcome back long-lost nationals. The EU passport also happens to be one of the most valuable documents for international travellers.

Once you've found a connection, head to the relevant website for the country's consulate. Under the citizenship section, you should find all of the requirements for putting in your application.

These will vary according to your country of choice, but generally, you'll find an online application form that you can use to get the process started. In the meantime, you should start gathering up birth and death certificates from as far back as possible to show an uninterrupted lineage to your family.

With certain second passports, you will need to show these documents in the country's native language. Remember, the more proof you can offer, the stronger your case becomes.

If you can get your evidence together then this is truly really one of the easiest options available for getting a second passport, and you should definitely grab the opportunity with both hands.

- **IRELAND** – There are an estimated 14 million Irish passport holders and just 4 million of them actually live in Ireland. That should give you a taste of just how many people claim ancestral citizenship for this country. As long as at least one of your grandparents was born on the Emerald Isle you can go ahead and register yourself in the Foreign Birth Register. Then go ahead and apply for full citizenship and enjoy the right to live and work anywhere in the EU.
- **ITALY** – Italy is another one that offers citizenships to individuals whose grandparents were born in the country. Just make sure that nobody along the family line revoked their citizenship in the interim period and you should be good to go.

- **HUNGARY** – If you can prove an unbroken lineage of Hungarian ancestry dating back through your family tree then you could well qualify for Hungarian citizenship. The catch is that you have to submit this proof in Hungarian with reference to the country's national archives in Budapest.
- **ISRAEL** – If you're ethnically Jewish or you have converted to Judaism you can qualify for an Israeli citizenship under the country's Law of Return. You should note however that an Israeli passport will automatically oblige you to serve a stint in the country's military, and that this passport will prevent you from visiting 16 countries including Iraq, Bangladesh, Lebanon, Bahrain and Malaysia.
- **POLAND** – In order to prove your Polish ancestry you need to show uninterrupted citizenship through one or both sets of grandparents. Your grandparents need to have been born after Polish independence in 1918. The chain of citizenship between you and your ancestors also needs to be unbroken, which means that all former citizens must have retained their passports until death. As with other citizenships, you will need to send in a complete biography and family tree to complete the requirements for this passport.
- **SPAIN**– If you're a citizen of a former Spanish colony then you can apply for citizenship in Spain after a relatively short amount of time. Countries that fall under this exemption include the Philippines, Andorra, Equatorial Guinea and Portugal. In order to qualify for this exemption, you need to maintain legal residence within Spain for an unbroken period of two years. You can also qualify if you prove that you are a descendant of the country's Sephardic Jews, an ethnic group that was expelled from Spain in the 1400's. In this case, if you are able to prove links to the Sephardic culture then you can claim immediate Spanish citizenship.

CITIZENSHIP BY INVESTMENT

If you're looking on the other end of the cost scale, Citizenship by Investment (CBI) can offer a clear route to a second passport in many countries. Now, I'll get this out of the way to begin with. In this case, the word investment is usually something of a misnomer. In actual fact, you will mostly be donating your funds to the government by purchasing a property in a specific area or by buying non-interest bearing government bonds. Again, it's highly unlikely that you will earn any income off of these purchases; these are simply channels through which you'll get your foot in the door. Think of it as a no interest loan to that government for usually 5 years.

The cost of these programs can range wildly from as low as \$100,000 to \$2.5 million depending on your chosen destination. Generally, these applications take about 6 months to process (Malta offers the only CBI program that takes longer than a year) and you can usually set your application in motion without ever actually entering your destination of choice.

The great benefit of these passports is that you can gain access to them the same way, regardless of your current nationality. Whether you're from Timbuktu or Turkey you can pay a fee and go through the due diligence. If you pass, you're a citizen.

Now, when it comes to CBI schemes you definitely want to be wary of any country that advertises a less than clear path to citizenship. Every legitimate citizenship program will have a clear structure in place for setting up your investment options, and each subsequent step should be laid out on an official government website.

Always be on the lookout for agents offering quick naturalization to highly coveted countries. In most cases, if you're getting a great deal then you're getting scammed. Make sure that you can verify all of the agent's communications via official government channels before you send any money.

Every country will have a rigorous application process in place that includes a thorough background check. If you fail to pass this verification then not

only will you lose out on your second passport but you could well find yourself subject to criminal action. That's why you should only work with service providers or agents that have been through the sanctioned CBI process in your chosen country.

Here are some of the most popular countries offering this form of citizenship:

- Antigua and Barbuda – Minimum investment is around \$100,000
- Cyprus – Minimum investment of \$2 million
- Bulgaria – Two-part bond purchase totalling up to \$1.2 million
- St. Lucia – Purchase a passport for about \$250,000
- Malta – Total cost of citizenship by investment is about \$2 million
- Austria – Gain access to the EU with a minimum investment of €2-4 million.

Of course, these prices often change. If you need up to date information and an introduction to a reputable agent you can trust please feel free to contact my team at

Support@MikkelThorup.com and we can make some recommendations on who to talk to.

CITIZENSHIP BY NATURALIZATION

A very popular way of getting a second passport is through naturalization. These citizenships are completely contingent on your ability to prove your intent to live permanently in your adopted home. Anything from bank account statements to your business address to gym memberships and real estate deeds could be used to help prove this intention.

Now, a lot of countries will require you to spend anywhere from 5-10 years as a resident before you qualify for naturalization. But there are a few places

like Macedonia, Paraguay, Uruguay and the Dominican Republic where you can get your second passport within 1-3 years.

CITIZENSHIP BY MARRIAGE/ADOPTION

At this point, the whole idea of a green card marriage is pretty much a tired stereotype so I won't spend too long going into this topic. A brief word of warning on this though, many countries have instituted strict laws governing fraudulent marriages for citizenship purposes so make sure you've got your affairs in order (no pun intended) before going down this route.

As far as red flags go, there are a couple of key details that immigration authorities will look at to determine the validity of a marriage.

- **LEGALITY** – This should be an obvious one. While common law cohabitation does qualify you for citizenship in certain countries you're far more likely to succeed with your application if you have legally sanctioned documents to prove your union.
- **LANGUAGE**– If you can't communicate with your spouse then immigration officials may question the longevity of your marriage.
- **RELIGIOUS/CULTURAL/ETHNIC DIFFERENCES**– If you come from a completely different background then this will play a big role in how an immigration official judges your case. In these situations, it's up to you to prove common ground.
- **LIFESTYLE** – Do you and your spouse share a residence? Do you have a joint bank account? Can you prove a history of shared interactions? These things will all play a big part in the final determination of citizenship.
- **TIMING** – If you're jumping into a marriage right after meeting your significant other, or your marriage just happens to coincide with the

expiry of your spouse's visa period, then this will definitely raise red flags.

- **CRIMINAL RECORD** – This one should be self-evident. If either of you has a less than spotless history then it could be hard to prove your trustworthiness in this regard.
- **ECONOMIC SITUATION** – If the native resident is struggling financially then it will be a lot harder to prove that the marriage isn't merely a monetary transaction.

On a different note; an interesting fact to mention is that if you're a resident of Brazil and you adopt a child or you are the guardian of a child in the country then you can actually qualify for a citizenship.

A Brazilian passport will grant you visa-free or visa-on-arrival access to over 146 countries, so it's a pretty powerful document to have in your safe. If you or your spouse gives birth in Brazil then your child becomes an instant citizen, you are also immediately granted status as a permanent resident of the country; just gather up your visa paperwork and head down to your local Federal police station.

Once you've got your residency in order you can qualify for citizenship in less than a year, as long as you can prove continuous residence in Brazil.

It should be noted that this will be true even if neither you or your partner are Brazilian citizens to begin with. What I'm saying is, if you happen to head over to Brazil for an overseas birth then you can gain access to all of these benefits.

BRINGING IT ALL TOGETHER

Residency and eventually citizenship/second passport should be a well thought out piece of any international Expat strategy. With a little bit of

forethought, you can give all future generations of your family an incredible gift. Honestly, I wish that in this day and age we did not need passports and we could all travel freely across the globe, but I know we as a people are still quite far away from that. In the meantime, I will work hard at acquiring second residencies and passports abroad.

If you want contact information from reputable firms who can help you obtain a second passport for you and your family then just head over to

www.ExpatsMoneyShow.com/bookbonuses

OFFSHORE BANK ACCOUNT

“A bank is a place where they lend you an umbrella in fair weather and ask for it back when it begins to rain.”

Robert Frost

The third big part of internationalizing your life is offshore banking. Perhaps it might be useful to start off with a definition of what “Offshore” actually is:

Investopedia refers to “Offshore” as a location outside of one’s national boundaries, whether or not that location is land- or water-based. The term “offshore” may be used to describe foreign banks, corporations, investments and deposits. A company may legitimately move offshore for the purpose of tax avoidance or to enjoy relaxed regulations.

I understand that the word Offshore in regards to banking and company formation gets a lot of negative press these days but I would argue that is just propaganda. Western governments start to lose control when you remove yourself from their grip and take your life abroad; banking being one way they control you. But I want you to understand there is nothing inherently illegal about any of this. Yes, it is true that criminals have used these systems to launder money and embezzle funds, but they have done it with traditional banking as well. There is no reason for you not to take advantage of all the legal advantages that offshore banking can provide to you and your family.

Many people associate offshore banking with secret accounts in the Cayman Islands hiding funds away from the government, but in most cases, tax benefits are an additional advantage rather than the main selling point. Remember, these banks will still report your finances to the IRS and other tax

authorities. Nevertheless, I would definitely look into the tax benefits for holding money overseas.

And while we are speaking about traditional banks the truth is that a lot of banking systems in North America and Western Europe are built on fundamentally unsound practices. In many cases, these banks are leveraged to the hilt with minimum amounts of cash on hand. So in the event of another Great Recession, you may have an extremely difficult time recovering your funds.

On the other hand, a lot of offshore banks are far more stable. These institutions have far lower debt-to-capital ratios with far more cash-on-hand, so you can feel far safer if the proverbial sh*t ever does hit the fan.

You'll often find that offshore banks will work far harder to retain your business by giving you access to premium services like 24/7 banking options or a personal relationship manager that's assigned specifically to your account. The things that they offer can be phenomenal and it really opens a lot of options that you might not have back in your country of birth.

CURRENCIES

The most foolproof way of minimizing risk is through diversification, and this applies to your currency holdings as well. Many offshore banks offer convenient options that allow you to hold multiple currencies through online platforms. These holdings can be invaluable for anyone that wants to protect their purchasing power from the threat of inflation and economic upheaval. Right now, the most popular currencies are Euros, GBP (British pounds), US dollars, Canadian dollars, Australian dollars, Singaporean dollars, Hong Kong dollars, and in some cases Chinese RMB.

Remember, each bank will have its own rules and regulations about the amount of currency that you'll need to keep in the account for each one, so make sure to do your research before buying in. A lot of offshore banks will

expect you to hold onto at least \$5,000 worth of your desired currency. Another thing to keep track of here is that, you can always trade your currency holdings to combat the effects of a sudden appreciation or depreciation. So, at the time of writing this book, the US dollar was trading at a premium against the British pound post-Brexit, so I decided to sell the former to buy more of the latter.

Another thing to keep in mind with offshore banking is you often have access to a lot of international investments that wouldn't normally be available to you in your home country. It really gives you a broad range of markets. Often you can participate in the stock market or the bond markets from multiple different countries and regions.

You could be participating in say, the TSX (Canadian Stock Exchange) and the NYSE (New York Stock Exchange) but also have an interest in Asian stock markets like the Nikkei 225 or the Hang Seng. Again, there are a lot of different markets that you'll be able to participate with an offshore bank account, a lot of these banks will still have the same services that your home country will have just with better lending and better credit available.

WHERE TO OPEN YOUR OFFSHORE BANKING ACCOUNT

If you're looking for the utmost safety and confidentiality, then your best bet is always going to be Germany, Netherlands or Switzerland. Banks like KfW, the Zurich Cantonal Bank, and Bank Nederlandse Gemeenten are routinely ranked amongst the best financial institutions in the world.

Switzerland is probably the most effective option for entrepreneurs with offshore companies, because of its strong asset protection laws. With a Swiss account, you can almost completely disconnect your funds from your home

country's taxation system (depending on your citizenship).

As an added bonus, Switzerland has no restrictions on the amount of cash you can carry in and out of the country, so large manual deposits are possible. While Germany doesn't offer the same level of secrecy, the country's attractiveness is mostly based on the strength of its economy and the strong reputation of the local banks. If you're looking to hold Euros then Germany is a strong choice.

Unfortunately, opening an account in one of these places can be quite difficult, especially if you're an American citizen. Unless you can make a seven-figure deposit right away you're better off looking towards other locations. Thankfully, there are a few of those available.

BELIZE

If you're looking to grow your income then you could do a lot worse than Belize. International accounts are free from taxation and other transaction restrictions so you're free to withdraw and deposit money as you wish. Finally, Belize has a good reputation for privacy which is obviously a major benefit for anyone looking to escape prying eyes.

SINGAPORE

If your business regularly conducts six-figure transactions then Singapore is a good choice for your offshore banking. Most banks in the country offer a simple set up process with strict regulations governing asset protection, so you can be pretty sure that your wealth will remain intact no matter what else is going on in the world. As a highly developed country, Singapore also provides an array of investment services including brokerage houses, funds and dedicated wealth management professionals. Banking in Singapore gives you access to a wide array of markets including China, Hong Kong and Macau. You also have the option to hold your account in a variety of

currencies based on your needs.

ST. KITTS AND NEVIS

If you're looking to minimize the tax consequences for your offshore company then this Caribbean Island is a great choice. While BVI has come under some pretty heavy regulatory pressure in recent years, Nevis remains open to foreign account holders. The island offers extremely strong asset protection policies that can be difficult to infiltrate, and the ease of setting up an LLC or trust in the country means that you can get your offshore company up and running in no time at all with only minimal statutory disclosures. Much like Singapore, any investment income earned in the country is considered tax-free, and directors are allowed to declare dividends at any time.

REMEMBER

Living an Expat lifestyle is about looking at problems through a global lens and this is never so apparent as it is with banking. In this day and age, there is no reason you cannot search out the best bank based on your exact needs, it is no longer necessary to just bank with the neighborhood branch (when was the last time you actually needed to stand face to face with a teller?) Everything these days is done electronically with Internet banking, or on occasion by telephone. The last time I went into a branch they sent me home and said what I wanted to be done could ONLY be done from online.

Really there are many options available to you in the world; to see my current list of favourite offshore banks download the free bonuses that are included with this book at www.ExpatMoneyShow.com/bookbonuses

OFFSHORE COMPANIES

“An income tax form is like a laundry list - either way, you lose your shirt.”

Fred Allen

While there has been some negative press surrounding illicit offshore companies in recent years, these entities are entirely legitimate vehicles that provide real benefits to myself and other Entrepreneurs around the world. This is definitely one of the key steps to internationalizing your life.

A little clarification first so we are on the same page; basically when we use the name “Offshore Company” it refers to a corporation, LLC or similar entity formed in a foreign country that the principals of the organization can only operate outside the country it’s formed in.

Offshore means located or situated beyond one’s national boundaries. The term Offshore Company has two definitions depending on its perspective. First; from the standpoint of the principals of the company, it is a company that has been filed outside of the country where its principals (officers, directors, shareholders, members, partners) reside. And secondly; from within its country of formation, it is a company that has been formed for the purpose of operating outside of the jurisdiction where it was originally filed.

ADVANTAGES

Of course, one of the main advantages you’re going to see is massive tax benefits. Depending on where you decide to set up shop, your non-resident profits could be subject to either greatly reduced taxes or no taxes at all. In this case, I’m specifically referring to tax-free zones or tax havens like the

Seychelles, the British Virgin Islands and Belize. These regions are characterized by an economic and political stability and extremely conservative banking practices which make them a perfect fit for anyone that's looking to protect their assets.

Also, keep in mind that anyone who tries to go after your money in these countries will find it extremely difficult to get their hands on your revenues because offshore hubs generally have specific safeguards in place to deter frivolous lawsuits and unauthorized requests.

Not only do these countries not list your holdings as a matter of public records, but places like the Caribbean Island of Nevis actually require claimants to post non-refundable deposits worth thousands of dollars before they can legally sue your company. As I've mentioned above, investment is also a great shortcut to getting your hands on that all-important second passport so that should be another big reason to pursue an offshore company.

Remember, tax laws can be complex at the best of times, so before going offshore I'd definitely recommend getting some advice from a professional to ensure that you're covered on all fronts just in case. If you don't know who to talk to feel free to reach out to my team at Support@MikkelThorup.com and we can make some recommendations on who to talk to based on your particular situation.

FACTORS TO CONSIDER

Listen, we all know that corporations like Google, Apple and Microsoft are ploughing billions of dollars in revenue into offshore companies every year. But you don't need to be earning anywhere near that amount to reap the same benefits. If you're serious about going offshore then there are a wide range of options available to you. Just be wary of any so-called expert that promises all the answers, there are no one-size-fits-all solutions here. You have to consider a variety of factors before deciding on the right location for your

business requirements.

YOUR LOCATION

A lot of business owners think that by moving their earnings overseas they can completely negate all potential tax consequences on their income, but nothing could be further from the truth. As long as you're spending a substantial amount of time on home soil you will have to pay taxes.

If you're a US Citizen then you should ensure that you fulfill the terms of the Foreign Earned Income Exclusion which basically states that you have sufficient ties to a foreign country including a place of permanent residence. Alternatively, you can claim this exemption in any year where you spend up to 330 days outside of the US.

Once you meet these criteria you can claim a tax exemption on roughly \$100,000 of active foreign income (no passive earnings) every year. The best way to claim these earnings is by setting up a salary structure where you're paid out a portion of your company's profits on a monthly or annual basis. While the rest will have to remain within the offshore company, at least you'll be able to ensure that your US earnings are tax-free.

While it's usually easier for citizens in other high-taxation nations including Canada, Australia and the UK to escape double-taxation, these individuals still need to meet tax exemption requirements. One thing to note here is that there's no magic number that will qualify you for non-resident status. Even if you're spending 6 months out-of-country every year, you still need to be able to prove that your business is largely being run overseas. If you've spent the majority of your life in one country, then you may also need to show that you've cut all substantial ties with your former home. For this reason, I would definitely recommend against signing any major contracts or partnerships in your home country.

So how do these variables affect your offshore decision? Well if you have to

maintain a physical presence in another location then it makes sense to choose a place that you feel comfortable actually living and working so that you don't have to scramble to stay on the right side of local tax exemptions.

REGULATORY HURDLES

An offshore company is useless without a foreign bank account to go alongside it. Unfortunately, many tax havens are now starting to shut their doors to earnings from offshore companies. Places like Latvia and Bulgaria now refuse to open bank accounts for companies in the island jurisdictions such as the BVI and the Caribbean Islands. Thanks to the recent crackdown on offshore earnings in the US, these countries have also begun to turn away US citizens.

Regulatory hurdles might compel you to look for more reputable offshore locations such as Hong Kong and Singapore. Although these countries aren't completely tax-free they do offer sizeable exemptions as well as access to world-class financial services. Low taxes will also look a lot less suspicious to your local Federal tax bodies.

YOUR CUSTOMERS

Depending on where you sell your products and services you could be subject to varying rates of GST, VAT and other direct taxes. The amount you pay will largely come down to where the service was performed, or where the products were manufactured and sold. In Australia, any company that earns over \$50,000 in sales is liable to pay GST; meanwhile, the EU has complex rules governing how much VAT is paid for sales in their jurisdiction.

Another factor to consider is that many offshore islands will only offer tax-free status to companies who do not sell locally. So if you're setting up in Belize or the Caribbean Islands then make sure you're not retaining any local customers.

COLLECTING EARNINGS

Payment processing can be a challenge in certain jurisdictions, while you can generally carry out wire transfers to any foreign bank with ease some clients may hesitate at the thought of wiring money to a bank account in the Cayman Islands. On the other hand, if you're offering online payment options through credit card and Paypal then you'll need to have a merchant account set up. Unfortunately, many offshore destinations offer poor merchant services with lengthy settlement delays and high transaction fees. Even highly developed cities like Hong Kong can lag behind in terms of merchant banking offerings.

You will also need to consider the tax implications of withdrawing money from your offshore company. While you might be better off realizing your earnings in the form of dividend payments in certain countries, these payments might negate tax benefits you earn in your country of residence or citizenship. These objectives should be aligned wherever possible.

WORKING WITH A SERVICE PROVIDER

If you're in Asia, then you might be familiar with TrustNet, a Singapore-based company that provides accounting and legal assistance for clients that are looking to move their holdings offshore. While these guys are generally geared towards high-end business owners and politicians, I am connected with a lot of the same type of people who can provide offshore incorporation services for Entrepreneurs and Investors. These service providers will take care of all your registration paperwork, help you open up an account at a reputable foreign bank, and they'll even set you up with a board of directors to include on all your public documentation if needed.

A word of warning; if you're Google searching on the internet for a service provider you have to be very careful with some of the firms you will find,

especially at the low-end. No matter what, you want to ensure that your advisor is working in compliance with all applicable laws and tax regulations. So not only do they need to know all the ins and outs of far-flung island nations, but they also need to be aware of how tax benefits translate in your home country.

A BREAKDOWN OF SOME OFFSHORE JURISDICTIONS

- **USA** - If you want the benefits of low or even no taxes with all the advantages of first-world financial services then the US offers a number of excellent opportunities for non-residents. Wyoming and Puerto Rico both boast minimal taxes on corporate earnings, capital gains and even dividends along with considerable privacy.
- **SEYCHELLES** - Entrepreneurs can set up an IBC (International Business Corporation) on this African Island with relative ease. The best thing about the Seychelles is that your documentation is kept confidential so interested parties cannot solicit information about your legal structure or ownership. The Seychelles also offers an efficient pathway to setting up an E.U bank account.
- **BELIZE** - You can set up either an IBC or LLC in Belize. Offshore companies in this jurisdiction are not required to file any tax returns of financial statements after the initial incorporation and there are no limits on trading through the country although you are not allowed to conduct trade with locals.
- **HONG KONG** - If you're looking to enter the Chinese market then Hong Kong is probably your best bet. As long as you structure your company correctly you will be able to earn tax-free income in this jurisdiction, just make sure that you're not making any profits off of

the local population.

- **CYPRUS** – If Europe is your focus market then Cyprus is your best bet. The country has a very favourable entrepreneurial environment with extremely low corporate tax rates and high-quality financial services. Cyprus enjoys double tax treaties across Europe so much of your earnings in the region will only be taxed once.

WHAT'S NEXT

I truly believe that offshore companies can be a viable solution to a host of problems that Entrepreneurs often face. Moreover, as an Expat you have unique advantages not available to everyone else in the world so it is often worthwhile speaking with someone who understands the intricacies of this market.

If Offshore Incorporation sounds like it might be a good fit for you, my suggestion would be to start with the bonus resources available to you at www.ExpatMoneyShow.com/bookbonuses if you need additional help after that feel free to reach out to me at any time on my website.

PART-2:

MONEY

DIVERSIFY WITH OVERSEAS INVESTMENTS

“In investing, what is comfortable is rarely profitable.”

Robert Arnott

Overseas investments are central to the whole concept of internationalizing your life. If financial freedom is your ultimate aim here, then you have to make your money work for you. That means you need to be able to access a variety of assets, aside from just mom and pop instruments that are offered through your local brokerage account back home.

This all goes back to my main point of diversification. When economic fluctuations hit, a diversified portfolio gives you multiple points of stability so that you're able to minimize any market risk that you would otherwise have to bear through losses.

While some stock market analysts argue that investments in S&P 500 companies like Coke or Apple provide enough international exposure to negate the need for overseas investments, in truth the majority of global revenues for these firms come from select markets in Europe. Even then, these earnings only make up about 30% of their overall income. The fact is that if the US stock market begins to dip then these corporations will all feel the effect. The only way to avoid that risk is by investing in foreign assets that can continue performing despite any economic volatility in America.

Of course, foreign investment comes with its own issues. You've got to put up with fluctuating transaction fees, informational disadvantages and variable

tax environments to deal with but despite these risks, you can still earn rewards to match. This is especially true in emerging markets like India, China, Brazil and Mexico. Interestingly enough, all of these countries enjoy interest rates that outstrip their inflation figures which translates to consistent investment growth.

The key to effective diversification is, understanding where to invest and to what degree. There's always an optimum balance between return and risk to be considered and you should always be aware of whether your investments are backed by real economic potential. This is certainly the case in China and Brazil where you have multiple strong industries and consistently high yields.

So from a day trader's perspective, diversification might mean investing in different markets like the S&P 500, and the GDX, or the QQQ (the Nasdaq ETF). Maybe these people will even end up throwing some of their spare savings towards some properties in their local market in an effort to get their hand in something more stable. If you think these investments are going to protect you during an economic downturn, then with all due respect I think you're dead wrong. For me, the prices of these assets are 100% correlated. Think about it. Which of these assets actually maintain their stability when a recession hits? None; when the economy stops growing, every single one of these markets will turn in the same direction. If you're looking to protect yourself you're better off just putting all of your savings in physical gold, at least that's been proven to retain its worth during downturns.

DIVERSIFY YOUR CURRENCIES

When I diversify, one of my main objectives is to get my earnings in as many stable currencies as possible. So I'll have some investments in USD, I'll have some in CAD, and some in GBP. Apart from those currencies, I currently live and own businesses in the Middle East where I earn regular profits in Dirhams. I also own apartments in China that earn rental income in RMB. These assets allow me to remain independent of exchange rate movements

because when one currency deflates, I always have a counterweight that will appreciate to balance out those effects.

DIVERSIFY YOUR TIMING

Another big key to diversification is time. What do I mean by that? Let me explain it this way. I am a firm believer in options trading as a key risk management strategy. These investments are a great way to leverage a smaller cash outlay for big earnings at a future date. Now, I always ensure that none of my options or futures expires on the same date so that I never have to experience the effects of a wider market downturn. It's the same with my bond portfolio; I make sure that my coupons are spaced out through time so that I have more stability and consistency in my earnings. This practice really helps me to build a strong foundation for my overall portfolio.

DIVERSIFY YOUR ASSETS

For anyone that's looking to diversify, I would recommend learning as much as you can about different asset classes. You've got four major options to choose from: stocks, real estate and other physical assets, the money market and other short-term investment platforms, and fixed income or bonds, now you can add digital assets to the list as well.

The point is that it's not enough to own Forex and stocks you need to have digital assets, commodities, physical assets, property. There is a wealth of money-making opportunities out there and you should be looking to take advantage of as many of them as you can. Even more importantly, you need to understand how individual assets connect to one another to form a strong, diversified portfolio. As the global economy has become increasingly connected over recent years it has become difficult to find investments that don't correlate to the US economy.

A good, diversified asset needs to have a low correlation to your other

investments for maximum benefit.

If we assume that you're investing in blue chip companies like Coke, Disney and IBM then you need to identify investments that move in a different direction to these stocks. So when these stocks go up, your foreign investments should generally move downwards and vice versa.

Unfortunately, after the 2009 recession, international markets have generally become more strongly pinned to the US market. Most successful local companies also tend to operate and earn revenues globally which further standardizes market movements across locations.

In order to find low correlation investments, you have to dig a little deeper. If you have the option to invest in a foreign hedge fund or private equity offering then this is a good way to diversify, but these channels are generally only open to the wealthiest of investors. Instead, you should look to create a portfolio made up of overseas real estate, utilities and commodity investments. These asset types have been shown to have a low correlation to the S&P 500.

MORE TAX BENEFITS

Once again, overseas investments also offer some huge tax benefits. Often if you're investing in another country and you are not a resident of that country, you are considered an overseas investor which means that you're not going to be paying local taxes on any of your holdings. If you also happen to be living in a tax-free country or a tax haven, then you can even escape your tax burden completely in a legal manner.

Now, once again, this is 100% contingent on your country of birth. If you're American, then you're subject to worldwide taxation rule which can really eat into your profits. While the IRS does offer a tax credit scheme which can reduce at least a portion of your tax liability, you're still going to be paying out a good portion to the government. In these cases, it's vitally important to

structure your holdings and businesses correctly so that you can minimize this liability as much as possible.

RESIDENCY

Overseas investments can also be a good strategy for residency. Let's go back to our example of South American countries. If you own an apartment or some land in Panama, for example, then this can be a good way to show the government that you plan on living there full time and that you deserve to be a resident.

BETTER RETURNS

Overseas investments can often return much higher gains than we're traditionally accustomed to in North America. Sure, if you go back a hundred years then returns averaged out to somewhere between 8 and 11 per cent annually, which is not terrible, but these figures fail to account for the long years of recession which bookended any periods of growth. By being internationally diversified, you're able to take advantage of opportunities that would not normally be available to you. I'm talking about regular returns of 15-20% here. For example, I'm currently involved in a bond structure with corporate bonds, based out of the United Kingdom. And I have guaranteed returns of 16 per cent annually.

Also, consider the fact that there are a lot of economies (especially in Asia) that are growing and developing at a far faster rate than the US or other Western nations. So for example, I own apartments in China. China has a growth rate of somewhere around seven per cent currently.

And it's funny because in the mainstream media you always hear talk about how the Chinese economy is slowing down, but as someone who has visited the country at least 20 or 30 times over the past 10 years I can assure you that China is an absolute animal and things are not slowing down there

whatsoever. Every time I go to China, I see more cranes, more construction, and more infrastructure development happening there than you would ever believe. I've seen entire cities redeveloped at such an astonishing rate, and from all accounts, this is just the beginning.

As most people know, China had their one-child policy in place for many, many years which has recently been lifted. As a result, a lot of well-off families are now having second children, Of course, population growth translates directly into more demand, and that's economically mobile demand at that. Urban Chinese families are looking to buy, and businesses are more than happy to fulfil those needs. Now, because so many of these families had time to put away savings for a rainy day, the reliance on debt is still a lot less than in Western countries. So you have a rapidly growing country with tonnes of business opportunities and easier access to financing, to me, that's a home run any day of the week.

Apart from China, there are a lot of other developing markets that you can get in now before the rest of the world. Places like Brazil, Vietnam, the Philippines and Russia that are set to reach growth figures that are going to be absolutely unbelievable.

One of the areas that I am personally looking very closely at is Central America. It's been more than 15 years since the first time I visited Central America and I have been watching it ever since.

You can see what has happened in places like Costa Rica and the development they have had there and then you have neighbouring countries like Nicaragua that are still 20 years behind and with a clear path to success laid out for them, they are in a good place to prosper.

If you would like to follow along with my overseas investments as I travel the world and get all the behind the scenes intel I would invite you to subscribe for free to my Daily Correspondence EMS Pulse. You can sign up now at

www.ExpatMoneyShow.com

WHY YOU NEED TO START INVESTING IN OVERSEAS REAL ESTATE

“Real estate cannot be lost or stolen, nor can it be carried away. Purchased with common sense, paid for in full, and managed with reasonable care, it is about the safest investment in the world.”

Franklin D. Roosevelt

As far as investments go, few vehicles offer as much opportunity as real estate. You can rent it out for steady income, renovate and flip it for some short-term profit, or hold it in anticipation of future appreciation. Personally, I love real estate for the same reason that I love precious metals; they're tangible, they're scarce, they can't be duplicated, and once they're purchased I have complete control over how they're used. Short of a revolutionary coup, nobody can take my property away or arbitrarily devalue its price based on some theoretical economic objectives because even the most remote, uncultivated piece of land has inarguable intrinsic worth.

No matter where you go, people will always need somewhere to live, and once they've exhausted every other option your little patch of earth will hold just as much appeal as a penthouse suite on the Upper West Side.

RISK VS. REWARD

In terms of risk versus reward, few investments offer a better ROI than real estate. While your day trading might help you achieve record-breaking profits overnight, your gains can just as easily be wiped out in a single day with some unpredictable market movements. Treasury bonds may offer some added security but they will never offer you anything more than mediocre returns in the long-term. In comparison real estate provides a good mixture of both qualities.

A joint study from the University of California-Davis, University of Bonn, and the Central Bank of Germany examined the performance of several different types of assets between 1870 to 2015.

The results showed that real estate brought in an inflation-adjusted annual return of just over 7% compared to the equity market which delivered just less than 7% returns over the same period. Not much to write home about you might say, but stay tuned. According to standard measures of uncertainty, the housing market was considered about half as risky as the stock market and even slightly less risky than bonds.

Of course, there are some caveats involved. The actual return housing varies fluctuates pretty significantly depending on the country you're looking at. For example, France with its heavily nationalized industries shows a 3.3% difference between equities and real estate while the U.S understandably tilts in favour of the stock market. Nevertheless, the point here is that these two investments are comparable and one is far less risky.

Now, I know what you're thinking – what happens if the housing market collapses again? Depending on where you're investing this definitely isn't such a far-fetched proposition (looking at you Vancouver), but as long as you're suitably diversified across multiple asset classes and offshore investments you should be able to cushion that impact quite easily. Again, this is just a matter of smart resource allocation.

PRIVACY AND CONTROL

With that said, let's segue into the topic of overseas real estate investments. Now, if you're operating your businesses out of your home country then you'll know just how difficult it is to keep your hard-earned revenues out of government hands. Rest assured that every penny of your earnings has been safely recorded in some centralized tax database for future reference.

If you're American, then this reality extends to any of your offshore accounts as well. Thanks to FATCA (Foreign Account Tax Compliance Act), the US government can force almost any financial institution across the world to reveal information on their American clients or risk heavy financial sanctions. Effectively, this makes every foreign bank (apart from those in North Korea and Iran maybe), an overseas branch of the IRS.

Now, most other countries lack the economic power to implement similar restrictions on other countries, but a number of smaller nations have recently floated plans to band together and set up a similar global standard (GACTA). If this initiative goes into effect then effectively every international financial transaction will be exposed to prying eyes.

This is why overseas real estate investment is absolutely essential to protecting your wealth. Unlike almost every other financial asset (apart from gold), a piece of foreign real estate held in your name does not need to be revealed for tax purposes. While it might be hard for your government to confiscate your offshore cash, it can be accomplished under the right circumstances. By contrast, it's virtually impossible for them to get their hands on your property.

For me, those simple factors; privacy and control; would generally be enough to make overseas real estate investment a worthwhile proposition, but as it happens there a number of other benefits to it as well.

THE BENEFITS OF OVERSEAS REAL ESTATE

INVESTMENT OPPORTUNITY FOR PROFITS

As a whole, real estate markets in the Western World have passed their biggest growth phase. Today, inventory tends to be limited and new construction occurs in fits and starts, your opportunities for making money here are severely restricted, and even then you'll find yourself competing with international investors from places like China and the Middle East.

If you're looking for growth, however, the place to look is in large developing economies where the middle class is just emerging. Look at places like Panama where the real estate market has been growing steadily for the past 10 years and has now started to draw attention from Chinese investors, or Brazil where 2.5 million new jobs were created in the last year alone and demand for new property is surging. For those of you looking towards Southeast Asia, Thailand is a strong contender for property growth. With an improving economy and a booming tourist industry, Thailand is perfectly set up for international investment. Now, there are some specific stipulations restricting land purchases in the country, so you're better off focusing on condos over actual land.

At the moment all of these countries display the qualities you want to look for in overseas real estate investment. Real estate is currently still undervalued, but massive organic growth seems to be just around the corner.

AGRICULTURE AND TIMBER

It's important to note that real estate investment can take many different shapes. While you're waiting for property prices to appreciate, why not invest in some agriculture. As the world's population continues to grow the value of farmland is headed through the roof. If your land is suitable for livestock, forestry or crops, then by all means, take advantage of this trend. Countries such as India, Brazil and China are hotbeds for this sort of investment as the

growing middle-class populations.

Currently, as a long-term timber play, I am looking into hardwood plantations in Central America, specifically Teak wood.

Teak has some remarkable qualities, including being resistant to rot, fungus, termites and fire, teak has an established role in the production of many high-end products. It is commonly used as the hardwood of choice to make top-quality outdoor furniture known to last for centuries. Additionally, teak is the preferred wood used for the deck of luxury yachts.

Because of these reasons and many more, the market for Teak and timber, in general, is exceptionally strong and growing at a steady pace. Respected American investor Richard Hall, the portfolio manager for the Forest Investment Association, says that despite a small decrease in demand for printed media in paper, there is an overall increase in demand for wood-products as a whole. This is driven by the growing numbers of consumers entering the middle class worldwide who drive up the demand for such wood products as packaging, consumer products and tissue.

Even recycling efforts have had little impact on decreasing demand for forest-related products. This is especially true in growing markets, such as China and India. Mr. Hall says that the demand for timber products is directly linked with both population growth and economic growth. Combine this with the fact that China and India, two countries that are experiencing extremely strong economic and population growth, are the two largest markets for timber products. So it makes sense that the timber market is booming and will continue to boom for generations to come.

It is also important to remember that timber is amongst one of the most loved asset classes of the ultra-wealthy. Prominent investors such as Jeremy Grantham, Chief Investment Strategist for GMO, a private investment firm which today manages over \$100bn in assets, raves over timber. In his company's Q4 2015, 7-year asset class forecast, Timber is the highest performing of all the asset classes.

All and all, this is an incredible strategy for long-term generational wealth. You own the land and the harvest cycle is roughly 25 years, but because of periodic pruning of the plantation, you also collect income as the years go by. And at the end of the 25 years, you or your family that it's passed on to gains a massive windfall of money and another crop of trees is planted.

If you are looking to pass wealth on from generation to generation this is the ideal investment for you. Large family dynasties are putting their money into forestry and I will be following suit.

For my recommendation on safe companies to work within the Timber farming markets just send an email to

Support@MikkelThorup.com and we can pass along some contact details and any information we have.

CITIZENSHIP THROUGH REAL ESTATE INVESTMENT

We've talked about diversifying your financial portfolio, but real estate investment is also a great way to diversify your lifestyle. As a foreign investor, you will find it easier to open up local bank accounts and you will always have a backup home in case the economic or political situation becomes untenable in your home country. Most importantly, a second residence can present a shortened path to citizenship in your chosen country. If this is your objective then there are a number of different countries to check out.

- **ST. LUCIA** – A \$400,000 investment in an approved real estate project can net you a second passport on this Caribbean island.
- **MALTA** – The tiny island-nation offers a citizenship by investment program that tallies in at around €1,000,000 combined. This amount is made up of investments in the governments National Development fund, a purchase of pre-approved financial instruments and a €350,000 real estate purchase.
- **PORTUGAL** – You can earn permanent residence in Portugal through a €500,000 real estate investment.
- **BRAZIL** – A \$150,000 real estate investment in the country will earn you a permanent residence in the South American nation.
- **COLOMBIA** – Colombia offers a similar permanent residency for a one-time \$150,000 real estate investment.

Other notable countries to look into for expedited residency programs include: Malaysia, Montenegro, Albania, Georgia and Serbia.

I personally own foreign Real Estate and I am glad that I do with all the crazy volatility we have had in other markets. As mentioned in the previous chapter I am looking heavily into Overseas Real Estate in Central America. If you would like more information about the projects I am working with and want access to my Due Diligence reports you can claim them in your bonuses at

www.ExpatsMoneyShow.com/bookbonuses

PHYSICAL ASSETS

“Gold would have value if for no other reason than that it enables a citizen to fashion his financial escape from the state.”

William F. Rickenbacker

PRECIOUS METALS

If you're looking into overseas investments from the perspective of internationalizing your life, then I would strongly suggest that you start off with physical assets. Now when I talk about physical assets here, I'm referring to precious metals. Traditionally, that's a description that's used for just gold and silver. While these two metals offer relatively stable prices and a historically significant trading value, there are other investment options that can prove just as beneficial including rhodium, platinum, and palladium.

There are some additional factors to take into account before diving in. If you're looking for liquidity then gold and silver should be your primary investments because these metals are easy to move at market value. Meanwhile, both palladium and platinum are used pretty heavily in the manufacturing sector which can add some volatility to their prices so these investments will probably work better over the short-term.

Of course, if you're looking to hedge against downturns then nothing beats gold. As they say, gold zigs when the economy zags, which is exactly what you want when the market starts to crash. In fact, if you look back over the last four major global recessions, gold prices have moved in the opposite direction in three of them. It's really important to understand how different

assets move in relation to one another so that you can diversify your holdings appropriately.

WHEN IN DOUBT, CHOOSE GOLD BULLION IT'S LIQUID

Now when it comes to precious metals there are a whole host of investment vehicles out there to choose from. You've got ETFs that track the price of gold, silver and other precious metals; you have futures and options, and even mining equities. But if you're looking for a store of value then you should really only be looking at assayed and certified bullion. I know that it can be tempting to jump on an offer for some limited edition collector's coins, but these assets are really only going to be useful for hobbyists. As an investor you need something that can be turned into money easily, and only bullion really fits that criteria.

IT HOLDS VALUE

Here is a very simple example I like to use to explain value when talking about gold. If you go back a hundred years and you had an ounce of gold it would be worth roughly \$20 USD and it could buy you a nice custom suit for a Man. Today that same ounce would be trading somewhere around \$1200 USD which would also get you a nice custom suit. But If you had kept the money in cash it would have lost nearly all it's value due to inflation.

IT'S RELIABLE

While bullion might trade at two to three percentage points above the spot price due to supply costs and dealer markups, rare and collectible coins can often trade anywhere from 15 to 18 to 20 percent over the spot price. With bullion, you can also minimize your premium because as you collect a larger

amount of gold you get closer to the spot price. So just be very wary of people who try to sell you this type of stuff. It's always best to stick with tried and trusted assets like the American Gold Eagle or the Canadian Maple Leaf.

IT'S TANGIBLE

Another big selling point for bullion is that you actually physically own your asset. This is particularly important when you talk about gold, which is, to this day still seen as legal tender in a lot of countries. Gold exists outside of traditional financial systems, no government can devalue it, speculators can't alter its intrinsic worth and neither will inflationary pressures. You won't see gold bullion being arbitrarily deemed invalid like in India where they recently removed all 500 and 1000 rupee notes from circulation, and it was suddenly illegal to trade in this previously legal currency. No, when you own the gold, that's it. It's yours. You can pass it onto your children. You pass it on to your grandchildren for estate planning. It's very simple. It doesn't rust. It's not going to decay or expire, and when you're looking for safety that's what you want.

IT'S PORTABLE

It might seem sort of obvious, but gold is quite portable as well. You can basically carry anywhere up to \$100,000 worth of gold in your hand without any issues and transport it like any other currency, and nobody will even know you have it. Of course, a caveat here is to be mindful of crossing international borders with large amounts of gold, understand the customs regulations of the country you are leaving and entering into.

IT'S UNTRACEABLE

Privacy is another key factor here, if you decide to store your gold at home

and bury it in your backyard, for example, nobody is going to know about it except for you and anyone else you tell. Of course, there are purpose-built vaults and depositories that are specially designed for gold storage, and these are kept independent from the financial system, so these might be preferable if you're looking for a less....primitive way to go about it. Bank safety deposit boxes are another storage medium that many people prefer, but these facilities definitely don't offer you that same independence and freedom, so keep that in mind before trusting your assets to a mainstream financial institution. I always encourage people to keep a certain amount of gold in their home in a safe place. This is not something that you want to be telling people about, because that would obviously open you up to theft. But if you have a private vault in a safe, stable country then I would definitely suggest that you make use it.

IT'S DIFFICULT TO GET

One of the biggest reasons for gold's inherent value is scarcity. With Fiat currencies, governments can always turn on the printing press and print more money, but that's just not possible with gold. Right away, that takes away the problem of inflation which is the sole reason why a dollar today is worth far less than it was 30 years ago. Now, if a company wants to open a new mine and up their gold production, then it can take 10 years to get the necessary permits in place, and to set up a reliable infrastructure that can actually take that from its raw form and process it through until its ready for the market. Ten years! So this is a very slow moving asset. Another factoid I should mention here is that more than half of the world's gold resources have actually been mined over the past 50 years. So there definitely isn't an endless supply waiting in the wings.

IT'S (REALLY) OLD

Listen, there's a reason why human beings have traded gold since the earliest

traces of civilization (40,000 BC). Simply put, there are few assets that function as a more effective store of value.

WHY GOLD IS THE BEST CHOICE FOR INTERNATIONAL TRAVELERS

When you're moving across the world on a regular basis, maximizing your cash is a constant challenge. Unless you're carrying dollars or Euros you're likely to run into some issues getting hold of local currency. But even with major currencies in hand, you're likely to lose up to 10% of your money in transaction fees and extremely unfavourable exchange rates. While there are some tips that can help you keep these losses to a minimum such as: avoiding exchange counters at airport terminals and popular tourist destinations (use your bank wherever possible), keeping track of current exchange rates through apps like XE and Google Finance Converter, and using your native currency wherever it's expected (again, easier to do with Euros or dollars), you'll still probably lose around 6% on most transactions.

By comparison, converting gold into cash is exactly the same no matter where you are in the world. First, you determine the weight of your gold (measured in ounces, Troy ounces or pennyweights), then you identify the Karat value of your gold. Once that's done, find out the current gold price by referencing the current commodities market and divide this amount by 31.1 to find out the price per gram. From here, multiply the value by the Karat value and finally by the total weight of your gold. This will give you a fair market value for your gold. From here you should look to find a reputable dealer to purchase your gold. Ideally, you should be looking to earn 95-98% on the fair market value which represents a far better deal than you would get with paper currency conversion in most cases,

The best part about trading gold is that it is accepted the world over. You can follow this process in even the most remote countries and end up with cold

hard cash that you can spend immediately. That's the value of gold for the international traveller.

For a list of the current gold vaults that I recommend for my follower's visit www.ExpatMoneyShow.com/bookbonuses and download your free bonuses that are included with your purchase of this book.

DIGITAL ASSETS

“Bitcoin is the most stellar and most useful system of mutual trust ever devised.”

- Santosh Kalwar

Alright, let's move from the traditional and stable, to the new and volatile. Let's talk about digital assets. Anyone who's followed the news lately will know that I'm referring to cryptocurrencies and blockchain-powered technologies here. So over the past couple of years, I'm sure you've seen story after story about Bitcoin investors who struck millions overnight after buying in when the currency was worth cents on the dollar. Despite the media frenzy it's important to remember that Bitcoin is just one amongst thousands of cryptocurrencies and that there are actually many, many different options out there. As an investor, I would argue that the most interesting thing about cryptocurrencies isn't even the actual asset itself but the technology that underlies it, which in most instances is the Blockchain.

YOUR CRYPTOCURRENCY IS NOT IN DANGER OF BEING HACKED

I know that there has been a lot said about the safety and security of cryptocurrencies in recent months, but one thing I want to make absolutely clear here is that cryptocurrencies cannot be hacked; nor can they be duplicated, faked, or fraudulently exchanged. In other words, they are completely fraud-proof. I actually took an extremely interesting online course on blockchain technology from MIT, where the University's professor of Mathematics basically broke down how difficult it would be to actually

manually duplicate a cryptocurrency transaction.

Without going too far into the science behind the topic, the basic gist of his argument came down to this. If you took every computer that has ever been built by human beings, and you turned them on, and you ran them around the clock, for as long as human beings have been on planet Earth, you would still be unable to break a cryptocurrency code. The level, the suffix, the FIS, the sophistication for this blockchain technology is so strong that it's virtually impossible to ever hack or crack this code.

BUT YOUR WALLET MIGHT BE

So just keep in mind, the next time you hear about cryptocurrency being hacked it's not because of any sort of failing in the technology itself. What's actually happening is that the exchange which holds the coins or the wallets that store the coins has been hacked. Now, while this is generally down to lax security measures you do have to acknowledge that these sorts of security breaches occur at any point where money is centralized. I mean, there have been just as many incidents where bank accounts in giant regulated institutions like the Bank of America or Citibank have been successfully breached by hackers.

WHY YOU SHOULD NEVER HOLD MONEY IN A CRYPTOCURRENCY EXCHANGE

My first recommendation to anyone looking to get into cryptocurrencies is, never leave your coins on an exchange no matter how legitimate it might seem. Just ask investors who lost out during the infamous implosion of MtGox. Back in 2014, MtGox was by far the most prominent cryptocurrency trading post around. From 2011 onwards, the Japanese exchange hosted 80% of all Bitcoin transactions in the world, and it was looking set to grow even bigger. Unfortunately, MtGox was far less stable behind the scenes. Not only

was the network built on shaky source code with extremely vulnerable security processes in place, but the organization's management was profoundly ill-equipped to coordinate any sort of response to these challenges.

On 7 February 2014 MtGox suspended all withdrawals on Bitcoin without warning, ostensibly due to some critical system updates. After a few more weeks of uncertainty, the website went offline altogether. It later turned out that the company had been struck by a massive breach back in 2011 which had resulted in the theft of up to 80,000 Bitcoins. The weirdest part is that the company neglected to shore up the security flaws that had led to the initial hack. So as you might expect, the hackers ended up coming back for more and ended up emptying the company's vaults entirely. In total, over 800,000 Bitcoins were stolen. MtGox went into bankruptcy and litigation soon after, and thousands of investors found themselves SOL.

While modern exchanges like Coinbase might be backed by some hefty VC funding, they are just as vulnerable to these issues as MtGox was back in the day. Just ask Cody B, a web developer who lost almost all of his crypto holdings when a hacker managed to take over his Coinbase-linked Gmail account through some simple social engineering. A couple of password resets later and Cody was locked out of his digital wallet forever, while the hacker made off with about \$8000 worth of private keys. Multiple attempts to reach Coinbase support fell on deaf ears.

If you want to avoid the same fate you need to get smart about how you store your cryptocurrency there are some great options out there to consider.

HOW TO HOLD YOUR CRYPTOCURRENCIES

Exchange wallets are known as hot wallets. These wallets should be used to store enough funds for day-to-day trading and nothing more. Exchange

wallets are pooled; meaning your wallet is not actually yours, it is only an address that links to your coins. Think of them as places to store your loose change and petty cash. Any significant funds need to be stored in a cold wallet.

Now you have two options here. The first is a software wallet, these can come in the form of mobile and desktop apps. As far as the former goes, the most popular choices are the MyCelium and CoPay wallets which are available on both Android and iOS. If you want a more robust desktop wallet then look for programs like MultiBit, Armory, Exodus and MyCrypto (only Ethereum). These wallets come with an intuitive UI and they provide easy dashboards that allow you to keep track of your crypto holdings at all times. Of course like any software, these tools are only as secure as the devices they're stored on. If your computer or smartphone gets breached with malware or a Trojan virus then you could easily find your details stolen before you know it.

Personally, my favoured option is an encrypted hardware wallet. These devices can store your private keys away from easily accessible Internet-connected devices. If you need to make an exchange or transfer you can simply plug them in and conduct a transaction without any worries. Some great examples of these devices are the Ledger Nano S and the Trezor.

One thing to note here is that even hardware wallets can be compromised. First, you have to trust that the manufacturer is keeping your data secure and that they aren't stashing away your details for later. Second, any physical damage could render your wallet unusable. Lastly, any time you connect your device to a computer you still run the risk of gathering unwanted attention.

For this reason, your most appealing choice might well be good old paper. You can print out your private keys in the form of QR codes which can then be stored in a safe location. Anytime you need to make a transaction you can simply scan in the code using your smartphone. It might not be the most cutting-edge solution but considering the threats out there it might well be the

best.

No matter what wallet you use, the first priority is to write down your recovery seed phrase and store this in a separate location. I recommend a safety deposit vault. Although avoid UK vaults as it has happened that banks will auction off the contents of those vaults if they go bankrupt.

WHY CHOOSE CRYPTOCURRENCIES?

On the other hand, cryptocurrencies offer a lot of clear advantages of traditional currencies.

DIVISIBILITY

So if you have a dollar, you can only divide it by 100. That's as far as it is divisible. You can get go all the way down to one penny and that's as far as it will go. But with a lot of these cryptocurrencies, they will go down to eight decimal places. That means you can trade anything down to 10 millionth of a single coin. Some notable exceptions are NEO and ETH.

PRIVACY

Of course, anonymity is another huge selling point here. With cryptocurrencies, your financial records aren't subjected to any sort of government oversight (for now). When you conduct a transaction, your name isn't registered in any public record or exchange. Everything here is decentralized, which means that every individual has sole and total control over their assets. In other words, nobody can take your crypto away from you.

Listen, I travel all the time and on multiple occasions, I've had the unpleasant experience where I've tried to use my Visa overseas only to find out that the

card has been temporarily blocked, and that the account has been flagged because of “suspicious usage”. So basically, this third-party intermediary has decided that I’m not entitled to use my own money for completely legal purposes simply because they don’t understand that I might be in more than one country over the course of a week.

This is why I always recommend that you hold a certain amount of cryptocurrency at all times whether it’s on your smartphone, on the cloud, in a cold wallet or hot wallet; wherever. There are a lot of storage options available, but what’s important is that you can have liquid currency available to you when other types of payment might not be.

SAVES TIME AND MONEY

The transfer costs for cryptocurrencies can also be unbelievably small. Say you’re doing an international money transfer; traditionally, you would go down to the bank, fill out a paper form, stand in line until you can submit it to the teller, and then once you’ve signed for it you would wait around until it finally got approved. Of course, that’s assuming that the manager doesn’t need to sign off on it, or that a thousand other little pieces of red tape don’t get in the way.

Once you’re finished up, you go home and wait for another three to five business days while the money arrives from the other side. How much does this whole cumbersome process cost you? Well, let’s take out anywhere from \$20 to \$30 for the outgoing fee, and a similar amount to receive it on the other side; that’s a total of \$60 just to transfer your own money from one location to another.

With cryptocurrency, you can often accomplish the same objective by simply copying an address, pasting it into your wallet, then you choose where you want to send or receive the funds from. Push send, confirm, and that’s it you’re done in all of five seconds with just a couple of clicks of the mouse.

The miners will then instantly get to work processing the transaction and in a minute or two, the money will be in the recipient's wallet. While transaction times and fees can rise to about \$20-\$30 for heavily traded currencies (Bitcoin at the tail-end of 2017), it's considered very common to complete massive transactions for just pennies.

I'm not talking about small amounts either. Massive amounts of cryptocurrency worth hundreds of thousands of dollars can be comfortably transferred to the other side of the planet for a couple of cents, and completed in a few minutes. Now, try to do that with a traditional bank, and you're likely to set off a whole bunch of KYC (Know Your Customer) and AML (Anti-Money Laundering) triggers. This, in turn, forces you to have to prove where you got the money from and where you're sending it to.

Of course, the verification process adds even more time to the transfer, and there are probably going to be a few additional taxes to contend with as well. If the fees are based on a percentage amount then they can rise quite substantially. In these cases, cryptocurrencies can save you thousands of dollars easily, especially in the long run.

Another arena where we often have to put up with inexplicable losses is currency conversion. Most international travellers will already know this, but the conversion rates that most banks give you are absolutely awful. The difference between the buy and sell price, what we call the arbitrage is actually where a lot of these intermediaries make their money, and for what? I mean nobody is actually putting your money in a bag and putting on an airplane and flying it overseas on your behalf. These are just numbers that are transferred on a computer. So we do the exact same thing with cryptocurrency, except in a far more efficient and less restricted manner.

OWNERSHIP

Just like with gold, I want to come back to ownership here. With cryptocurrencies, as long as you own the private key, you are the sole owner

of your asset. You work as your own bank. Now, of course, that does mean that you have to exercise some extra caution here because while the currency might be impenetrable your storage techniques are not. Also keep in mind, that there's no oversight with digital assets so you won't have any recourse if your private keys do fall into the wrong hands. So you definitely need to take responsibility for your finances.

PORTABILITY

One last thing I'll mention about cryptocurrencies is portability. You can literally put a million dollars worth of cryptocurrency on a USB stick or even write down your key on a piece of paper and travel anywhere in the world with complete access to your funds (just don't lose your paper). Now, you should definitely still be mindful if you cross strict secured borders such as the United States, where electronics can often be subjected to extraordinary examinations. Again, I'm not encouraging any sort of illegal behaviour here but I definitely am encouraging financial responsibility. You always need to be aware of where your money is.

EDUCATION

Cryptocurrency, Digital Assets and Blockchain Technology are fast moving and ever changing, it is important to stay on top of what is happening in the marketplace with top-quality education. I have been fortunate to interview a number of founders from some of the most popular Cryptocurrencies, but at the end of the day there is still a lot of speculation in this industry and I encourage you to do your research before investing. To listen to my conversations on Digital Assets visit www.ExpatMoneyShow.com

DIGITAL SECURITY

“With new technologies promising endless conveniences also comes new vulnerabilities in terms of privacy and security. And nobody is immune.”

- Clara Shih

Which brings me to the next big part of internationalizing your life. I think that digital security is important to everybody, but it becomes absolutely critical once you make the decision to live overseas. This is especially true for tourists and foreign residents that don't have the benefit of citizenship to fall back on. Remember, as a non-national you will often not have access to the same protections and privileges as locals, which means that you may not have a good recourse if you're the victim of theft or fraud. You also won't be able to depend on your own government to bail you out in these circumstances.

I always encourage people to purchase at least one, if not multiple encrypted USBs on which you can carry your most sensitive information. Some absolutely essential documents that you should have secured at all times are your:

- Passport copies for you and your family.
- Private keys for cryptocurrencies.
- Insurance policies (life, health, fire, homeowners etc.)
- Bank account numbers.
- Credit card numbers.

- Title deeds to any real estate or vehicles you own.
- Copies of bond certificates.
- Copies of your login credentials for online banking, brokerage accounts etc.
- Birth certificate.
- Social security/insurance numbers.

So basically any investments you have and any uniquely identifiable personal information should be copied and stored on these encrypted USB sticks. Pay particular attention to the encryption levels here, all current USB drives should be covered under the FIPS 140 standard which certifies the device for protection against a variety of attack vectors.

I'd also be looking at USB drives that offer some form of inbuilt antivirus software so that your files can remain safe from theft or corruption even if you plug the device into an unsafe computer. Of course, data security best practices dictate that you keep a second storage device as well in a separate location, so that even if something happens to the first one you're still covered.

If you're wondering why I still prefer to keep these documents on a USB drive rather than simply storing them on the cloud, it's a matter of accessibility. Let's say your Dropbox account gets hacked, all of your sensitive information disappears without a trace and it's completely exposed to anyone who wants to look at it. On the other hand, with a USB stick, even if you lose the drive, it's virtually impossible to decrypt so your information still stays safe. Do make sure that you purchase your USB from a reputable seller and that the package itself has not been tampered with, because that would create an obvious vulnerability in the chain.

Of course, encryption isn't just for USB drives; you can set up encryption for entire hard drives as well. Personally, I always make sure that all my sensitive information is encrypted, especially when I am away from my

computer. This is just a basic step I've taken to ensure my financial security.

I know that it's easy to ignore constant requests to back up your data, especially when you're in the middle of an important project but I cannot stress how important this single step is to your overall digital security. Everything from your laptop to your smartphone is vulnerable to failure, whether it's from malware, hard drive crashes, wear and tear or accidental damage. If you don't have any way to access your data and your documents then you could find yourself in a world of trouble. Especially, if you're a digital native like myself. Now, this isn't just limited to financial information and IDs either, make sure to keep backups of family photos and other personal mementoes because those things are arguably more important and can be irreplaceable.

As an international traveller there are certain data security lapses that you want to avoid, no matter where you are. Malware, and especially ransomware has been a growing threat in recent years and many of these hackers specifically target high-value individuals. Apart from these threats, there are a whole host of uncontrollable risks that can lead to the permanent loss of data. We're talking anything from forest fires, earthquakes and flooding to server failures and even physical theft of your devices. It's important to have a secured backup process in place in case any of these incidents occur.

My advice would be to follow the 3-2-1 rule. This is something that most data security experts use nowadays. The rule basically dictates that you need to store at least three copies of your critical data. Two of those duplicates should be stored in different formats (encrypted USB and cloud-based backup), and one of these copies should be stored in a safe off-site location.

For the last option, I'd definitely recommend investing in a safe deposit box from a reputable provider. These lockers are rated for their ability to withstand most forms of external damage, and they are generally pretty cheap to retain at an annual charge. You can also hand over power-of-attorney to one of your family members, so if anything happens to you, your loved ones

are always able to access critical documentation and other paperwork with ease.

As an international traveller, there are certain data security lapses that you want to avoid, no matter where you are. For example:

- Don't conduct any sort of sensitive transactions on public Wi-Fi channels. These are notoriously easy to monitor and spoof, your passwords could easily end up in the wrong hands.
- Don't trust free VPN providers. If you need to get past geo-restricted content pay for a premium membership. Free services amount to little more than data gathering tools.
- Make sure to conduct transactions through only https:// domains, communications on these websites are encrypted to prevent third-party monitoring. You should also ensure that websites have proper SSL certificates.
- Always double-check the website URL before entering in passwords or financial details.
- If you receive an unexpected email which asks you to reset your password then never visit the link directly from your email. Instead, visit the website from your browser and independently confirm whether the details of the message are true.
- Four to eight-word alphanumeric passwords won't cut it anymore. Make sure that you include at least one special symbol (hashes, dollar signs, percentage signs etc), and it should go without saying, you should not reference any sort of personal or relevant names or dates in the password. Generally, the longer the password is, the more difficult it is to crack. This is especially true if these are uncorrelated words; so random phrases are especially effective at foiling hackers. Think about capitalizing random letters or words in the password to add a further layer of security.

- Make sure that your phone locks automatically whenever you're not using it, or when you close the cover on it and apply all those same password best practices for your lock screen interface. The same general rules should be applied to all your devices from tablets to laptops.
- Be very mindful of the kind of information you share on social media. Many hackers will send out friend requests from decoy accounts in order to gain access to otherwise restricted information. Once accessed, this data can be used as the basis for phishing emails, identity theft and other unscrupulous activities.
- Pay attention to your accounts. If you receive a notification about an unauthorized access attempt from a different IP address then make sure that this was not from any of your devices. If not, then immediately move to change your passwords. Don't use the auto-complete feature for your browser passwords.
- Make sure that you're not using the same password on different websites. Every website will have a different level of security. So if someone was able to guess just one of your passwords through trial and error, they would pretty much have access to all of your online banking, emails and social media profiles. From that point, they pretty much have complete control of your life. They can make trades, purchase things, make investments, transfer your money and the worst part is that you won't even realize until one of your accounts gets flagged.

ACCOUNT SECURITY BEST PRACTICES

Hackers will attempt one of two methods to crack passwords. First, they can use sophisticated software to try to attempt multiple combinations of characters in an attempt to find the right key. This is known as a brute force attack, and it can be easily negated by increasing the length of your password.

A simple 8 letter password can create 1,113,034,787,454,976 possible character combinations which are more than enough to stump even the most determined hacker.

The second most common attack method is the dictionary attack, where the hacker will take a list of common passwords and try them one at a time until they find one that hits. While it might seem like this sort of guesswork is destined to fail, statistics show that over 50% of computer users use the same 25 passwords. Substituting a few number and special characters here and there won't work either, most dictionary attack applications will already account for this and perform common substitutions with each passphrase.

So If you're using easily identified personal information such as pet names, or birthdays for your password then you're leaving your accounts open to infiltration. Passwords should be at least eight characters in length, and they should incorporate capital letters, numbers and symbols to be truly hard to guess. If this seems too difficult to remember, use a long phrase from a favourite song, movie or book instead.

Ideally, you should have a different password for each account, so that even if one of your accounts is exposed the rest remain secure. To keep these passwords in line you can download a free password management solution such as 1Password or LastPass, which can record all your passwords in an encrypted format and utilize them across all connected devices.

Two-Factor Authentication is a must for all of your accounts that have to do with money. This is essentially a second layer of security that is tied to some personally identifiable detail that is specific to you. 2FA can take the form of a secret question, a pin code emailed to your personal address or even a physical device that must be plugged in before account access can be granted.

If you're given the choice between different forms of 2FA, opt for physical verification methods such as printed QR codes or hardware token, I know that Google, in particular, is now offering these options for its users. You definitely want to avoid SMS verification because telecommunication centres

are notoriously easy to infiltrate and your messages can be intercepted quite easily. The fewer intermediaries involved the better.

Now, I know that many of you might think that this is paranoia speaking. But this can and does happen to everyone. You have to take responsibility for your digital security if you want to protect you and your family overseas.

To see my personal recommendation on the Encrypted USB to keep all your private information safe just visit

www.ExpatsMoneyShow.com/bookbonuses

PART-3:

LIFESTYLE

EDUCATING YOUR CHILDREN OVERSEAS

*“Education is the most powerful weapon
which you can use to change the world.”*

Nelson Mandela

One of the biggest misconceptions amongst aspiring Expats is this idea that they have to wait for their children to grow up before they can move abroad. As someone who's planning to raise and educate his daughter on (multiple) foreign shores, let me tell you that nothing could be farther from the truth.

My wife and I started our family here in Abu Dhabi and we have never once regretted the decision. The warmth I've experienced in my interactions with other expatriate families and local Emiratis has just solidified my view that travelling is really the antidote for so many of our social divisions. Now I'm not going to paint myself as an idealist, but when I watch my daughter playing with kids of all races and religions I know that she's going to be free of any of these limiting ideological beliefs that stop so many people from realizing their potential.

We pay lip service to this idea that seeing the world broadens your horizons, and teaches you to think bigger than just yourself, but when you realize that your children are learning these lessons intuitively from a very young age then it really does hit home. Take your family overseas, it might be the most important thing you ever do for them and you.

THE BENEFITS OF EDUCATING YOUR CHILD OVERSEAS

Back in the 1960's an American sociologist by the name of Ruth Hill Useem, actually coined a name for expatriate children – Third Culture Kids (TCKs). The term originated from the idea that these children combined aspects of their birth culture and adopted culture to create a unique new social language, a third culture. Famous examples of these individuals include Kobe Bryant, Freddie Mercury, Khalid Hosseini, Christiane Amanpour, and former US president Barrack Obama. Many studies have compared TCKs to their natively schooled counterparts and shown some interesting results.

- TCKs are 60% more likely to earn an advanced degree.
- TCKs prefer self-employment. You're likely to find them in medicine, consulting and other professional positions while they're unlikely to show up in corporations and large governments.
- Most TCKs indicate that they understand other cultures better than non-TCKs.
- At least 80% of TCKs believe that they can get along with anybody.

But apart from the statistics, there are clear advantages that your child is enjoying on a daily basis by living abroad.

THEY EXPERIENCE NEW WAYS OF LEARNING

Anyone who listens to my podcast knows that my school experience was less than ideal. Apart from the constant bullying, I faced an uphill battle trying to find any educator that was willing to engage with me on my level. These difficulties pushed me to more or less stop attending school at age 12 and by 15 I had dropped out of school completely. I took it on myself to find the answers I needed and started travelling the world.

In countries like the U.S, there's often this belief that only a traditional Western education guarantees academic performance. But places like Singapore and Finland, where students consistently outperform North American schools in reading, mathematics and science, show that this is far from true.

While the Singaporean model encourages high performance at every level through a variety of government-led initiatives, the Finnish system accomplishes the same goal by placing student autonomy and well-being above all other qualities. The point is that there are a lot of systems that work, by taking your kid abroad you have far more chance of finding one that meshes with your child's particulars skills and interests.

DEVELOP AN INTERNATIONAL NETWORK

As an Entrepreneur, I know that a lot of my success comes from the diverse contacts I've cultivated during my life. Today, I can travel to pretty much any continent and pull up a whole list of potential business partners, clients and mentors that could help me get my business up and running. By taking your child overseas you give them the chance to start developing these personal networks from a very early age. In an increasingly global world, the benefits of maintaining these sorts of connections cannot be overstated.

MASTER FOREIGN LANGUAGES

I'm going to touch upon the importance of learning a second language later on in this book, but from a child's perspective, there's almost no actual learning involved. During childhood and early adolescence, our brains are naturally primed to pick up new words and phrases without any conscious effort. However, after puberty our neural processing switches so that language is learned through the same mechanism used for general learning compared to specialized language processing systems. Essentially, when you

place your child in an environment where foreign languages are consistently spoken you're basically guaranteeing that they will become multi-lingual.

THEY LEARN TO ADAPT

I started travelling on my own in my teens, and haven't looked back since. As a teenager with limited life experience trying to find my way in a completely new culture and environment, it teaches you that you simply cannot afford to be stuck in your ways. I'm not just referring to your ability to relate to other people here, I'm talking about basic survival. Unless you're willing to understand how things are done in your current environment and adjust your beliefs and actions accordingly, you may not be able to eat every day let alone build a successful business. These hard-learned lessons will be absolutely essential for your child as they make their way in the world.

SCHOOLING SOLUTIONS

Of course, there are going to be logistical concerns along the way. Depending on the country you choose for your new home, you're going to run into language barriers, different teaching curriculums, low-quality schools, and teething issues as your child settles into a completely new lifestyle. I'm not denying any of these issues, but there are a number of solutions available for each and every one of them. Let me break down some of the options that are available to you.

INTERNATIONAL SCHOOLS

Go to almost any major city and you're likely to find an International School offering one of a number of English-language curriculums (International Baccalaureate, A Levels). These schools are generally preferred by expatriates from Western nations because they provide a more familiar

environment where for their children to integrate into. Many of the advantages I talk about above are very obvious in these schools. You have a global student body and faculty, an emphasis on foreign language teaching, and (usually) top-quality education.

If you're looking for some recommendations then there are some big brand names in the industry that have set up shop in multiple countries. You've got SABIS schools that can be found in around 15 different countries across the US, Asia and the Middle East. You have United World College and GEMS that are both popular amongst English-language expatriates in foreign countries. Before making a move, I definitely recommend checking out the **International Schools Database**, which can be found with a simple Google search, this is a great resource for finding these schools in a number of different countries. Now I will warn you that these schools are not cheap. International schools in Europe can cost you up to 56,000 EUR a year, so make sure that you're budgeting for tuition and other related expenses beforehand.

HOME SCHOOLING

Home-Schooling, World-Schooling and Non-Schooling (I will use the name "Homeschooling" to signify these three most popular alternative schooling options) I think are probably the most effective way of equipping your child with the tools they need to tackle the challenges of the new millennium. We live in a world where innovation and disruption have become the norm in almost every industry, and the concept of a 9-5 corporate job is becoming woefully outdated.

With that in mind, I just don't see the benefit of putting your child through a rigid educational system that teaches them to succeed in an economic system that may no longer even exist by the time they're old enough to enter it.

There are a number of reasons why parents turn to alternative schooling methods both in their home country and abroad; here are just a few:

- The desire to tailor your child's education to his or her interests.
- A lack of quality of educational options in your country.
- Creating stronger bonds within your family.
- To provide a safer more conducive learning environment for your child.
- It's generally much cheaper than private schooling.

If you're thinking about Homeschooling your child abroad, the first thing you will want to look into is legality. Depending on the country you're in you might find that you have to jump through a few hoops before you can keep your kid away from the school system.

In the UK, USA, Canada and Australia you're free to educate your child as you please. But in France or the Netherlands, you will have to prove your credentials as an educator in order to stay on the right side of the law. Meanwhile, in countries like Germany and Sweden homeschooling is illegal under any circumstances, so you will need to enrol your child if you want to escape prosecution. Again, these are all factors that might affect your decision on where to move.

Once you've cleared this hurdle, there are a few considerations that you will want to take into account before jumping to Homeschool your child:

- Who will teach your child? Are you equipped to provide your child with a high level of teaching in math, science, languages and social sciences? If you're unsure then you may want to look into private tutors for specific subjects.
- Are you going to follow an existing curriculum? There are a number of Homeschooling curriculums available including the Laurel Springs System, Ablaze Academy, Time4Learning and the Global Student Network. If you want to add some structure to your lessons you might want to opt for one of these choices.

- Make sure that you can dedicate enough time to schooling every day. Establish clear rules to separate leisure time from learning time.
- Ensure that your child gets adequate social contact. Whether it's through social clubs, extracurricular student groups, homeschooling networks or play dates you want your child to take full benefit of the social opportunities that are available in their new country.
- How can you help your child to succeed? Find out what they love to do and give them the tools and resources to pursue their passions.

IN MY NOT SO HUMBLE OPINION

One of the greatest things you can do for your child if you plan on raising them with an Entrepreneurs mentality is to keep them out of traditional schooling. Traditional schools teach nothing about money; how to make it, how to keep it, how to multiply it. Traditional schools are meant to teach you to conform to society, get a job and pay your taxes. And if you have made it this far in the book I believe you know how I feel about that...

One of the questions that I am most often asked about this is “*what about university?*”

My simple answer to university is that unless your child would like to be an Engineer, Doctor, Lawyer or maybe a few other professions then university is a waste of time and of course money. There are a host of high-value skills that are going to be a lot more in demand than the things that are being taught in the antiquated system we have right now.

And if your child does wish to pursue one of the above-mentioned professions then usually it's as simple as filling in some forms when applying for school and in the USA there will be extra weight placed on your SAT scores.

On my Podcast The Expat Money Show I have had dozens of

multimillionaire entrepreneurs who Homeschool their own children and would never consider subjecting their children to a traditional school back home.

The Second biggest question I get is “*what about Socialization?*”

For me, this is a funny one, and I believe really speaks to peoples false belief patterns. I do not understand how someone equates Homeschooling to removing your child from society or from having friends. In actual fact, this could not be further from the truth. I still take my daughter swimming every morning and to the park every afternoon to play with the other kids. And she already has an affinity for dance so when she is slightly older I will bring her to dance classes and encourage her to make friends with everyone else in the class. Because she is an Expat her friends will be from every corner of the planet.

My point is that just because you decide to Homeschool your children it doesn't mean they will not have deep and meaningful friendships with other kids.

To listen to my interviews with other Expat Entrepreneurs who are Homeschooling their children visit www.expatsmoneyshow.com/tag/homeschooling

MEDICAL TOURISM

“I had a project for my life which involved 10 years of wandering, then some years of medical studies and, if any time was left, the great adventure of physics.”

Che Guevara

While Western medicine has long been touted as the absolute pinnacle in global healthcare for decades, the ground reality for many patients in the EU and North America is very different. The US might spend more on healthcare than any other nation, but millions of people across the country still live without any form of insurance coverage. Meanwhile, anyone who's forced to pay out of pocket can expect to pay thousands of dollars for even the most basic medical procedure.

Canada's Provincial Health Care and the UK's NHS might offer more assurances but they're anything but efficient. Patients with non-threatening illnesses often have to put up with long wait times and a plethora of forms just to secure a simple doctor's appointment. Of course, that's without considering non-essential dental and surgical procedures which can end up costing well into five figures.

Now I'm not proposing any sweeping solutions for these issues, there are other people who do that. But I am definitely advocating for people to start looking outside the Western healthcare bubble towards the international market, where they can find dozens of affordable, high-quality medical destinations. I'm not the only one thinking this. Estimates from 2016, show that the medical tourism industry is now worth over \$100 billion. Every day

new insurance products and services are popping up on the Internet to serve Western patients who are tired of dealing with the hassle of first-world healthcare.

If you're still skeptical then think about it from a business perspective. If you're seeking out a supplier do you settle for the best business operating in your neighbourhood, or do you go online and start searching for international vendors that offer all the features you need at the price point you're looking for?

I know what you're going to say next. Health is more important than profits. I'd definitely go along with that, but at the same time why would you think that you're facing any greater risk abroad than you would at home? In the WHO's rankings of the top healthcare systems, you'll find countries like Costa Rica, Chile, Morocco, the UAE, Greece, Israel and Singapore.

By the way, I'm more than willing to put my money where my mouth is. My regular dentist is located in South Korea, and when my mother needed an eye operation that's where I looked for a surgeon. Why? Because I knew that the quality and cost of treatment in the country would far exceed anything she would get in Canada.

Internationalizing your life isn't just about stashing your assets offshore, it's about expanding your mindset so that you can find opportunities anywhere in the world. Depending on the kind of medical care you require, there are a wealth of options available to meet your needs. Check out the following destinations in particular.

HONG KONG

Hong Kong boasts a supremely efficient health care system with a variety of public and private treatment options available. Currently, there are twelve private hospitals and over 50 government-run hospitals operating across the country. If you have any doubts about the quality of these establishments then

look no further than Hong Kong's impressive life expectancy rates (84 for females, 78 for males).

Shobha Gujar, an Indian expat who's lived in HK for over a decade wrote in to specifically tell me about her experiences with the local healthcare. Shobha talked about how efficient, organized and advanced the facilities are in the country. The minute you step into a public hospital your medical issues are identified, you're put into triage and you can get into to see a relevant doctor pretty quickly. Treatment is generally effective and hassle-free, and out-of-pocket expenses generally come to around \$12-\$13. Now, mind you pretty much all of Shobha's experience was with the country's public hospitals so these glowing reviews all relate to government-run healthcare. However, if you're looking to get more intensive treatment then you might want to look elsewhere.

THAILAND

Thailand is the number one destination for medical tourism by a pretty wide margin. Every year, around a million prospective patients come to the country for its high-quality and eminently affordable medical services. How affordable you ask? Well look up pretty much any major surgery and you'll find that you pay anywhere from 50% to 70% less than you would in the West. Thailand is particularly well-known for cosmetic procedures to the extent that the Surgery Center at Bangkok's *Bumrungrad International Hospital* has become world famous for its staff and facilities.

SOUTH KOREA

I've already told you about how much faith I have in Korea's healthcare system, but the truth is if you tell someone you're going to Korea for treatment then they're probably going to assume you're getting plastic

surgery. Per capita, South Korea has the highest rates of plastic surgery in the world with 20 out of every 1000 people getting some form of work done. Even more surprisingly, polls suggest that almost 1 in 3 South Korean women between 19 to 29 that live in Seoul have gone under the knife. In South Korea, the doctors are far more likely to act as guides letting you know what needs to be done and what you can go without.

I recently talked to an acquaintance who opted to get cosmetic surgery in Korea. The list of procedures she went through was nothing short of mind-boggling, everything from eyelid repositioning to a complete abdominoplasty, and a full facelift. While the results were amazing, the price tag was jaw-dropping. Something that would have easily cost upwards of \$40,000 in LA was completed for around \$10,000 in Korea with no discernible difference in results. In fact, her visit to South Korea came with complimentary pickup services, accommodation, post-operative care and a number of other benefits.

BRAZIL

If you've ever been to Rio then you'll know that surgical enhancements are definitely a thing in Brazilian culture, and that image seems to have caught on across the world as well. The country is ranked as the third most visited country for cosmetic procedures with health costs coming in at around 20-30% less than the US. It's not just plastic surgery either, Brazil routinely tops the list for top healthcare systems in Latin America and cities like Florianopolis and Sao Paolo, in particular, are well-regarded for their cutting-edge facilities and advanced treatment options.

COSTA RICA

This little Central American country might not be the most popular medical tourism destination but it definitely holds its own in terms of quality and affordability. The country has established a strong reputation for its excellent standard of dentistry and cosmetic surgery. The best thing about choosing Costa Rica is that procedures are generally performed in opulent spa-like health centres where patients are treated to all kinds of amenities in between treatment.

SINGAPORE

Singapore's healthcare system is acknowledged the world over as one of the best around, which is particularly impressive considering the size of the city-state. In total, there are 22 internationally certified clinics and hospitals dotted across Singapore. Gleneagles Hospital is particularly popular amongst medical tourists due to its large English-speaking staff and state-of-the-art facilities. While Singapore is definitely more expensive than some other countries on the list, you are guaranteed a standard of care that can match or exceed even the best Western hospital.

RECOMMENDATIONS

As mentioned above, I personally visit Korea every time I need proper dental work done and I have sent friends and family to Korea when they needed surgery, whether that is elective or mandatory surgery.

I understand navigating this process can be challenging that's why I have included information on English speaking hospitals who I have dealt with and that I trust to do a good job for Expats looking into Medical Tourism.

To get access to this valuable information you can claim the free bonuses that are included with this book at

www.ExpatsMoneyShow.com/bookbonuses

EXPAT COMMUNITIES

“Communication leads to community, that is, to understanding, intimacy and mutual valuing.”

Rollo May

Even though I’ve been living the internationalized life for the best part of two decades now, I’ll admit that upping stakes and moving abroad can be something of a daunting prospect. I know that there are a bunch of excuses you can use to justify staying put, from a lack of financial resources to legal hurdles, security concerns and political uncertainty in other countries. Once you get past all of that you might be worried about more personal issues such as social isolation and potential language barriers. Listen, these might be valid criticisms in some cases but they completely ignore the massive, glaring opportunities that are available overseas.

DEBUNKING THE MYTHS

I talk a lot about risk versus reward, and this concept is perfectly illustrated in places like South America and Southeast Asia. Are you going to run into red tape and possibly even some corruption? Yes, possibly. Will you have to change the way you live and work? Yes, to some extent. Are those sacrifices worth it? Yes, and there’s no two ways about it.

Think about what it takes to start a business in the US or UK. First, you have to deal with a powerful tax authority that will take a good chunk of your profits away at every opportunity. Second, you have to get licensing, insurance and other certifications before you’re even able to get your

business off the ground. When it comes to hiring locally you're dealing with a labour pool that demands high compensation and benefits for their work. Finally, you've made it to market you're competing with thousands of other companies that are looking to target the exact same niche as you, whether that's E-commerce, consulting or digital marketing.

Compare that to somewhere like Singapore. Sure, you have regulatory hurdles to clear here too, but the country is still relatively conducive to small business owners. You have an upwardly mobile population of 5.6 million, where 1 in 6 people are millionaires, and you have a relative lack of competition in a number of key niches. Then take into account the fact that tax rates for corporations are around five times lower here, and you've got a recipe for profitability. It's just a matter of being able to leverage your local resources effectively.

As far as personal safety, this is a complete non-issue when it comes to a lot of overseas countries. As long as you do your research, respect the local culture and stay observant you shouldn't have any problems living in most regions across the world. If we're talking Asian countries like China, Thailand, Vietnam, Cambodia, Singapore, the UAE, and Qatar all host thriving expat communities that live and work alongside locals without any issues, every single day.

In Latin American, you could say the same for Brazil and Colombia. While the Western media might have a lot to say about these nations, the actual reality of living here is far from a nightmare. In fact, most expats generally find themselves enjoying a better quality of life and nicer weather to boot.

If you're worried about political or economic uncertainty, then I'd advise you to look closer to home. With Brexit in the UK and looming trade wars in the US, it's clear that this whole concept of stability has really been overplayed in the Western world. The truth is that you're going to run into upswings, downturns and overall volatility no matter where you are in the world and that's really one of the reasons why you should adopt a more international

mindset. The more options you have, the less likely you are to be affected by shock election upsets or a recession, you can simply move onto greener pastures.

EXPAT COMMUNITIES ARE YOUR HOME AWAY FROM HOME

While there's a lot to be said about immersing yourself in your new environment (and I do, later on in this book), the truth is that during the first few months of living overseas you will probably struggle to assimilate. Unless you're moving to a country with a similar culture and language, you're going to have trouble communicating and understanding the local way of doing things.

This is where expat communities are so important. In almost every cosmopolitan city across the world, you will find a strong network of travellers who decided to take the plunge and commit to life abroad. These people come from all over the world, from China, Norway, Argentina, the US and Canada, and while each individual has their own reasons for moving overseas, they all share that same intrinsic desire to do things differently.

So what happens when you bring together a diverse group of like-minded people and put them in the same location? In most cases, you get a genuinely supportive, uplifting community. You'll find that the connections you make with fellow foreign transplants are some of the strongest relationships you'll ever form in your life.

Speaking from personal experience I can say that without a strong expat community to depend on I would have had a much harder time settling in the UAE. The people I have met here have been instrumental in many aspects of my success; from introducing me to valuable business contacts to helping me navigate local laws and secure critical investments. The same applies for

pretty much every other country I've visited, I've always managed to find friends from all over the world that understood my challenges and were more than willing to help me establish myself in their adopted homeland.

In larger urban cities we often complain about the lack of meaningful social interactions and traditional support structures, but in my experience, nothing could be further from the truth. As a new father, I've found that other expats are more than ready to offer advice, guidance and assistance wherever it's required. Although I definitely live a more fast-paced life, when I travel I have a real sense of belonging because the circle of relationships I've developed abroad follow me wherever I go. Of course, if you're looking to find a welcoming international population then some cities offer better prospects than others.

EXPAT COMMUNITIES AROUND THE GLOBE

THAILAND

Chiang Mai has been a home to international expats since at least the 1800's, and it still retains that appeal today. The city offers an extremely low cost of living (you can get a fully furnished studio apartment for around \$250 a month), great food culture, excellent healthcare and a great mixture of modern amenities combined with ancient traditions.

With a population of just over 300,000 people, Chiang Mai is also large enough not to feel overcrowded, you can hang out with backpackers at the local art galleries and reggae bars or enjoy some downtime with retirees at the sports pub. Thanks to the large expat presence in the city there are no fewer than seven international schools currently operating in Chiang Mai, which means that your children should have no problems settling in. And as mentioned in [Episode #52](#) of The Expat Money Show with Mike Michelini, the majority of the teachers come from Australia, Ireland and North America, so you can trust a high level of English is being taught.

Most of the local expat community is made up of location-independent entrepreneurs, freelancers, ESL teachers and NGO workers.

Sticking with Thailand, I do have to talk about Bangkok as well. I know that BKK has developed a reputation for its wild nightlife, but the city has a lot more to offer, especially for anyone looking to work in the corporate sector. Right now Bangkok has an absolutely thriving start-up scene with foreigners and locals alike rushing in to establish tech ventures in a number of areas.

You've also got regional headquarters for businesses like Google, Uber, PwC, Accenture and Pepsi, which means that there is no shortage of

opportunities for internationally minded entrepreneurs. Alongside those benefits, you've got a strong cadre of international schools like Regent's School, Shrewsbury International and the International School of Bangkok that offer top-notch education for foreign-born kids.

If you're looking to find a home amongst the city's bustling expat population then you should look for property around the BTS train station, especially near the Sukhumvit Road areas where most foreigners settle down.

DUBAI

I might be a little biased, but at this point, Dubai's international appeal isn't exactly a well-kept secret. At last count, only about 16-20% of the city's population actually consisted of locals which should let you know how big of a presence expats have here. As a hub for companies from the world over the Emirates provides plenty of corporate opportunities for career-minded expats and most Westerners can expect above-market salaries as well.

Meanwhile, you've got plenty of sunshine, a range of world-class amenities, and no income taxes to pay so you could do a lot worse. As far as the expat community here, you're unlikely to find a more diverse and vibrant population anywhere in the world. I've made connections with people from every continent here and most speak English too so communication isn't ever really a concern.

COSTA RICA

With its proximity to the US, this Central American country has pretty much always been a top travel destination for Americans, but now they're deciding to settle there too. The Costa Rican government has spent significantly on improving local infrastructure while also keeping an eye on conservation. As a result, you've got a well-developed nation with low crime rates and idyllic sceneries. It's pretty much catnip for Expats. In the same vein, you might

want to look into other Central American countries like Panama and Nicaragua which are growing rapidly in terms of their economy and infrastructure.

BALI

It's a backpacker's paradise for a reason, Bali has been a spiritual retreat for Western travellers for decades now and the island hosts a strong Expat population. If you're looking for a slower pace of life with a strong English-speaking community then Bali is a great choice.

FINAL THOUGHTS ABOUT EXPAT COMMUNITIES

I have lived in Expat Communities for the better part of 20 years and it's where I feel most at home. I love the fact that all my friends come from different countries and cultures, we all speak different languages enjoy different food and I suppose really the best part of this is that we are able to share all these differences with one another.

Every Friday I publish new interviews with Expat Entrepreneurs from around the globe who are building their businesses and lives overseas. To listen to the newest episode visit www.ExpatMoneyShow.com

LANGUAGE

“The development of language is part of the development of the personality, for words are the natural means of expressing thoughts and establishing understanding between people.”

Maria Montessori

I wanted to save language for last in this book. While it should be obvious to most people, that you need to know more than one language if you're going to function effectively as an international citizen, many native English speaker still seem to think that English is the most popular language in the world and that nothing else is required. As someone who is both a native English speaker and who has travelled to roughly one hundred countries all over the planet I have to tell you that nothing could be farther from the truth. Throughout my travels there has been multiple times where my English did me absolutely no good.

WHAT SOUTH AMERICA TAUGHT ME

After tonnes of miscommunications and wrong directions, I finally went out there and decided to learn Spanish. I actually spent 18 months in Central and South America studying the language, living with a family, hitchhiking, travelling and perfecting my accent and delivery. Let me tell you, without that education, I would have gone hungry and homeless a lot of nights. In most of the communities that I visited, the vast majority of people spoke nothing else, so Spanish was absolutely essential to my survival and I'm so glad that I now have that skill in my back pocket.

WHY I'M LEARNING MANDARIN AND YOU SHOULD TOO

It's the same thing right now with Mandarin. This is an absolutely essential language in the modern Economy, and I know that there have been a number of pieces over the years about how difficult the language is to learn but I have to say it is not as difficult as people say, and it is certainly not impossible. For the most part, the language follows logical linguistic building blocks that you can depend on as you become more advanced. This is in contrast to English, where the rules could fly out the window at any time.

In the coming years, you're definitely going to see Mandarin becoming more and more popular, especially as the Chinese economy continues to grow. China already has the most powerful economy in the world by far, despite what certain Americans would have you believe, and I don't even say that to be insulting. As someone who was born in an ostensibly *developed* country (Canada) who has travelled extensively through both the US and China I think I have a pretty objective perspective on the economic reality and potential of both nations. On those terms, I have to say that the scale of progress that I'm seeing in China is just absolutely mind-blowing. I imagine that it's the same sense of infinite potential that many Americans felt back in the 50's when industry and innovation were booming. From what I'm seeing there seems to be absolutely nothing that's going to slow that juggernaut down. Again, my larger point here is be prepared for the future. English is not always going to be the lingua franca for the world, and many would argue that it already isn't.

EXPAND YOUR HORIZONS

Even if you don't feel up to the task, I highly encourage you to put your children in a program where they are actively learning Mandarin because it will open up a world of opportunities for them in their adult life. Don't just

stick to one language either. Being bilingual or even trilingual can help open up new markets and new revenue-earning potentials. Here's a rundown of the most valuable languages you can learn.

ENGLISH

As an English speaker, you have the ability to communicate with an estimated 1.5 billion people. That's about 20% of the global population. English is also the national language for many of the world's most economically powerful countries including the United States, Canada, Australia, and the various countries of Great Britain. As a result, English is generally the preferred language for international trade, if you want to work with a multinational then English-language proficiency will definitely be an advantage. English is also by far the most common language on the Internet. Currently, over 1 billion digital natives write, type and create content in English. If reaching a wide online audience is your goal then this should be your choice.

Of course, if you're reading this Book then you're probably already proficient enough in English so let's move on to some other languages you can explore.

CHINESE

Learning Chinese allows you to communicate with another 1.2 billion native language speakers. That's another 20% of the world right there. I've already covered the importance of Mandarin pretty extensively, so all I really have to say here is that China is currently the largest economy in the world with more buying power than all of Europe put together. Add to this, the fact that American Express lists Mandarin as an essential language for international business and it's clear that no self-respecting Expat Entrepreneur can justify

not taking a crack at learning the language.

HINDI/URDU

Next up is Hindi and Urdu, both of these languages are similar enough to be classified as dialects. Together, you have about 500-550 million speakers there. Currently, India boasts the 7th largest GDP in the world and is currently classified as the fastest growing trillion-dollar economy. Apart from the millions of Hindi and Urdu speakers in India and Pakistan respectively, there are also millions of individuals from both countries that have made their homes across the world. By learning this language you're gaining access to a massive market that has generally been underserved by Western companies. For an entrepreneur that translates into one word, opportunity.

SPANISH

There are currently an estimated 437 million Spanish speakers across South America, Africa, Europe and Asia. Learning Spanish is particularly important if you want to access emerging markets like Argentina, Chile, Colombia and Costa Rica. Meanwhile, in the US the Hispanic population is expected to make up 30% of the country's demographics by 2030. In total, Hispanics represent a market of more than \$1.5 trillion of purchasing power in America alone; if you add in the combined GDP of other Spanish-speaking nations then you're talking about a combined market worth well over \$6 trillion. One only has to look at the success of movies like Coco to see how much success you can gain from targeting Hispanic audiences. Spanish is also so widely spoken that you'll be able to conduct business in Spanish across at least three continents.

In [Episode #28](#) of The Expat Money Show, I interviewed Nydia Monarrez to talk about the depth of the Hispanic Market and the opportunities available to

any entrepreneur who decides to market to them in their own language.

ARABIC

The number of Arabic speakers across the world is placed at around 422 million, with the vast majority localized in the Middle East and North Africa. While Spanish and even Chinese are now commonly taught across English-language universities the number of foreign-born Arabic speakers is far lower. Currently, less than 1% of US college students are enrolled in Arabic language programs, which shows just how strong a differentiator Arabic competency can be.

While the Arabic-speaking world is often associated with political instability, there are a number of strong economies across the Gulf region. You've got the UAE, Saudi Arabia and Qatar who are all making significant investments in infrastructure, tourism, telecommunications and finance. You've also got Lebanon, which is just emerging from a political volatility into a period of growth. In total, the Arab world represents a combined GDP of \$600 billion.

GERMAN

While some people might suggest learning French over German because of its wider reach (French is spoken by 220 million people while German is spoken by only 110 million), the German language represents a far more lucrative market. A study from MIT economist Albert Saiz revealed that learning German will earn you a 3.8% premium on your lifetime earnings versus a 1.5% and 2.3% premium for French and Spanish respectively. Germany is currently the biggest trading center in all of Europe and by far the strongest economy in the region. As a result, it has also become the de facto language of communication across the financial centers in Switzerland, the Netherlands and of course Germany itself. If you're planning on trading in

any of these places then you should definitely learn German.

OTHER LANGUAGES TO CONSIDER

- French - 220 million speakers across Africa, North America and Europe
- Russian – 166 million speakers. Will allow you to communicate in Russia and many former USSR countries.
- Bengali – 261 million speakers, largely in Bangladesh itself.
- Portuguese - 215 to 220 million speakers, opens up access to Portugal and of course Brazil. The latter in particular is poised to become an extremely important economy in the coming decade.

Language is incredible for you to not only do business with people in other areas of the world but to build immensely powerful friendships and even romantic relationships with. I should know, my wife is from China, and showing her that I respect her enough to learn Mandarin so I can speak to her parents has really strengthened our bond.

Every week on The Expat Money Show I interview Expats from around the world who are building their businesses overseas, learning new languages and living more international lives. You can download every episode now at **www.ExpatMoneyShow.com /iTunes**

FINAL THOUGHTS

“Success is not final, failure is not fatal: it is the courage to continue that counts.”

Winston Churchill

I hope this book has helped to influence the way you view international living; fundamentally I believe that because you were born in one country doesn't mean you need to:

- Pay taxes there
- Have your passport there
- Do your banking there
- Have your company registered there
- Have your investments there
- Raise your kids there
- Have your medical procedures there
- Live your life there!

I have focused on helping you to live an international life by looking at problems through the lens of global solutions, in this day and age there is no reason you should let borders get in the way of having the best the world has to offer. I hope that this book has accomplished this goal.

If you are brand new to the Expat lifestyle then I hope this book has helped inspire you and open your eyes to what is possible.

And if you are already living overseas then hopefully this book has helped you to take things to the next level.

What originally started as a Podcast has grown to a worldwide community of Entrepreneurs who are living international location independent lifestyles.

To stay up to date with everything new that comes out at The Expat Money Show sign up for my newsletter EMS Pulse. In this daily correspondence, I send a short behind the scenes emails showcasing my life as an Expat Entrepreneur. Follow along as I travel the world building my business and brand internationally, investing my money in alternative products and forging relationships with the greatest Entrepreneurs on the planet. I take all of these experiences and role them into profitable (and often entertaining) lessons for you my reader.

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“***Great Stuff Looking Forward To More***

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★★★★★
“**Exactly What I Didn't Know I Was Looking For!**

Mikkel's knowledge and outstanding lineup of super smart guest entrepreneurs makes this a must listen to podcast

MARK BARES

★★★★★
“**Let Me Tell You, I'm Hooked!**

Informative, interesting with a great host and well thought out guests.

MARK LACEY

“



High Quality Experienced Guests

Mikkel does a wonderful job of giving the listeners a look into the many ways of how living around the world is possible.

MATT JAVIT

“



I'm Already Hooked!

The guests are top notch, inspirational, and offer real, substantive advice that can be immediately implemented into your own expat strategy.

CLINT TOWNSEND

“



Hello From South Africa

Awesome podcast. Very informative with a wealth of information!

DEREK KENDALL-SMITH

“



This Is An Awesome Podcast!

He asks some great questions and really puts time and effort into making sure that his podcasts are high quality.

RYAN LEE

You can [subscribe](#) to **The Expat Money Show** podcast on iTunes, Stitcher Radio, Google Podcasts or anywhere popular podcasts are found. Please leave us a 5-Star review if you enjoy the Podcast.

ABOUT THE AUTHOR

Mikkel Thorup has spent nearly 20 years in continual travel around the world, visiting more than 100 countries including Colombia, North Korea, Zimbabwe and Iran, and has lived as an Expat since early 2000's, making his home in Central America, South Pacific, Asia, the Arctic, North America, as well as the Middle East.

Throughout his explorations, Mikkel Thorup has kept a keen eye on different investments and businesses, putting money where his mouth is and finding some very interesting and often very different opportunities...

Mikkel believes people should understand that just because someone was born in one country it doesn't mean that they need to spend their entire lives there, and it certainly doesn't mean they need to keep their money and investments there.... often there are huge tax advantages and economic benefits to building your business abroad.

He is a high school dropout, and started failing out of school by the age of 12 and completely left school by 15 years old... but Mikkel Thorup never gave up his passion for learning, and he still enjoys reading over 100 books a year on topics such as entrepreneurship, marketing, economics, and investing. He is a firm believer in continual education and chooses to reinvest a large portion of his income back into himself through courses, training masterminds and coaching every year.

Mikkel has made it his mission to serve others and constantly gives back to the community by sharing his knowledge in Entrepreneurship with the hopes of impacting others in a positive manner.

He hosts the popular Podcast and Blog The Expat Money Show and writes his behind the scenes daily newsletter, EMS Pulse. You can download The Expat Money Show for free on iTunes, Stitcher Radio, Google Podcasts or

anywhere else popular podcasts are found. And you can find Mikkels writing at

www.ExpatsMoneyShow.com

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