

WHY TO BUY A BANK

Executive fact sheet of how and why you need to buy a bank for your financial company

So after analyzing the enormous potential of becoming a bank you or your team have decided to Buy a Bank, Obtain a Banking License or else Purchase a Financial Institution such as a Money Service Business/Broker or a Crypto Currency Exchange/Broker.

BY HAVING A BANK WITH A TYPE A LICENSE YOU ARE ABLE TO:

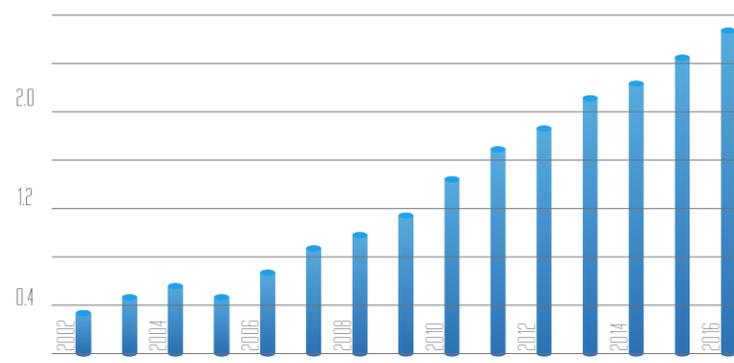
- Intermediate
- Control the execution of your payments (no third parties restricting your transactions)
- Be a deposit taker and onboard clients directly
- Liquidity becomes a profit instead of a cost
- Avoid third party intermediaries
- Issue lending or any other type of credit
- Invest in proprietary portfolios or third party instruments in any market anywhere
- Engage in all banking activities as permitted by law.
- Manage global portfolios for the bank assets or your clients
- Be able to manage your Risk Management directly
- Do what your financial company is currently doing



No matter what specific financial sub industry you are on, having a bank is the way to grow. Wealth abroad (offshore) continues to grow despite estimates

THE WEALTH ABROAD

Total estimated earnings reinvested overseas,
BY YEAR \$2.8 TRILLION

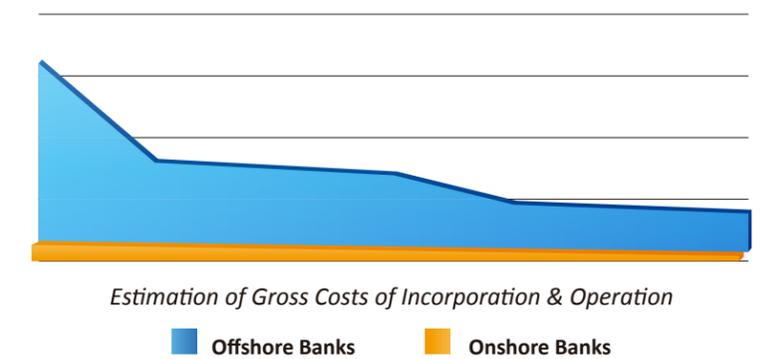


Source: SEC Filings, Audit Analytics, Capital Economics

A question we always get asked often is why not incorporate it where I live, our answer is initial costs.

Incorporation of onshore Structures (Where you live) is much more expensive due to the complexities of the regulatory framework you will be working with, almost all bankers looking to establish a bank live in a place where the regulatory framework is mature, in other words Financial Authorities in your country do not want new banks to be registered or open a new business making the process expensive and difficult.

EXPENSES OF OFFSHORE VS ONSHORE STRUCTURES



The reason why most of the mature financial jurisdictions are not willing to get a new player is because adding any new intermediary could represent a potential systemic risk to that jurisdiction, to avoid this new banking licensing requirements are extremely harsh in mature jurisdictions, capital requirements will be extremely high and chances are that even if you do comply with all requirements you will not get approved by the regulator.

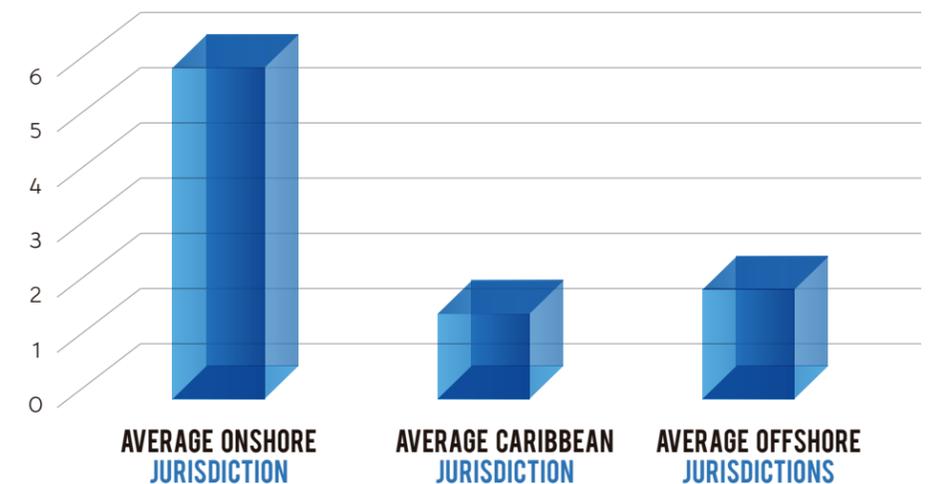
Incorporating a new bank offshore or buying one offshore is a much more simpler task, yes you need to comply with paid up capital rules and harsh regulatory compliance requirements, but chances are that you will get approved if you comply with those offshore, which is not always the case onshore, you will find that in some cases even political events are key factors on allowing the issuance of new licenses.

Moreover being an offshore banker allows you to operate worldwide, because offshore jurisdictions usually issue nonrestrictive licenses, you will not be restricted to operate with local clients only but internationally, in an internet globalized era this is exactly what you need.

As you can see, licensing a bank in an offshore jurisdiction could take anything from 8 months to 24 months, doing so in a mature jurisdiction will take in average 6 years if its your first license.

The answer is buying if you have the cash or applying for a New License if you have the time, in both Cases Financial Licensing Advisors are here to help you

AVERAGE TIME TAKEN TO REGISTER A NEW BANK



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