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2017 M INTERNATIONAL ADVISORS CONFERENCE

MAY 22–24, 2017

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GLOBAL LEGACY & INSURANCE STRATEGY ADVISOR | ASESORA DEL LEGADO MUDIAL Y ESTRATEGIAS DE SEGUROS

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WEALTH-X

THE GLOBAL UHNW POPULATION

SEAN KAPOOR—DIRECTOR

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ABOUT WEALTH-X

- The world's leading **wealth information and insight** business
- Clients from across the financial services, luxury, not-for-profit, and higher education sectors
- We believe in the power of **applied wealth intelligence** to drive client success
- We help our clients understand and engage their target audience, make informed decisions, and minimize risk

THE GLOBAL ULTRA WEALTHY POPULATION

GLOBAL UHNW POPULATION

2015



212,615
UHNW
Population

Population Change
% from 2014

↑ 0.6%

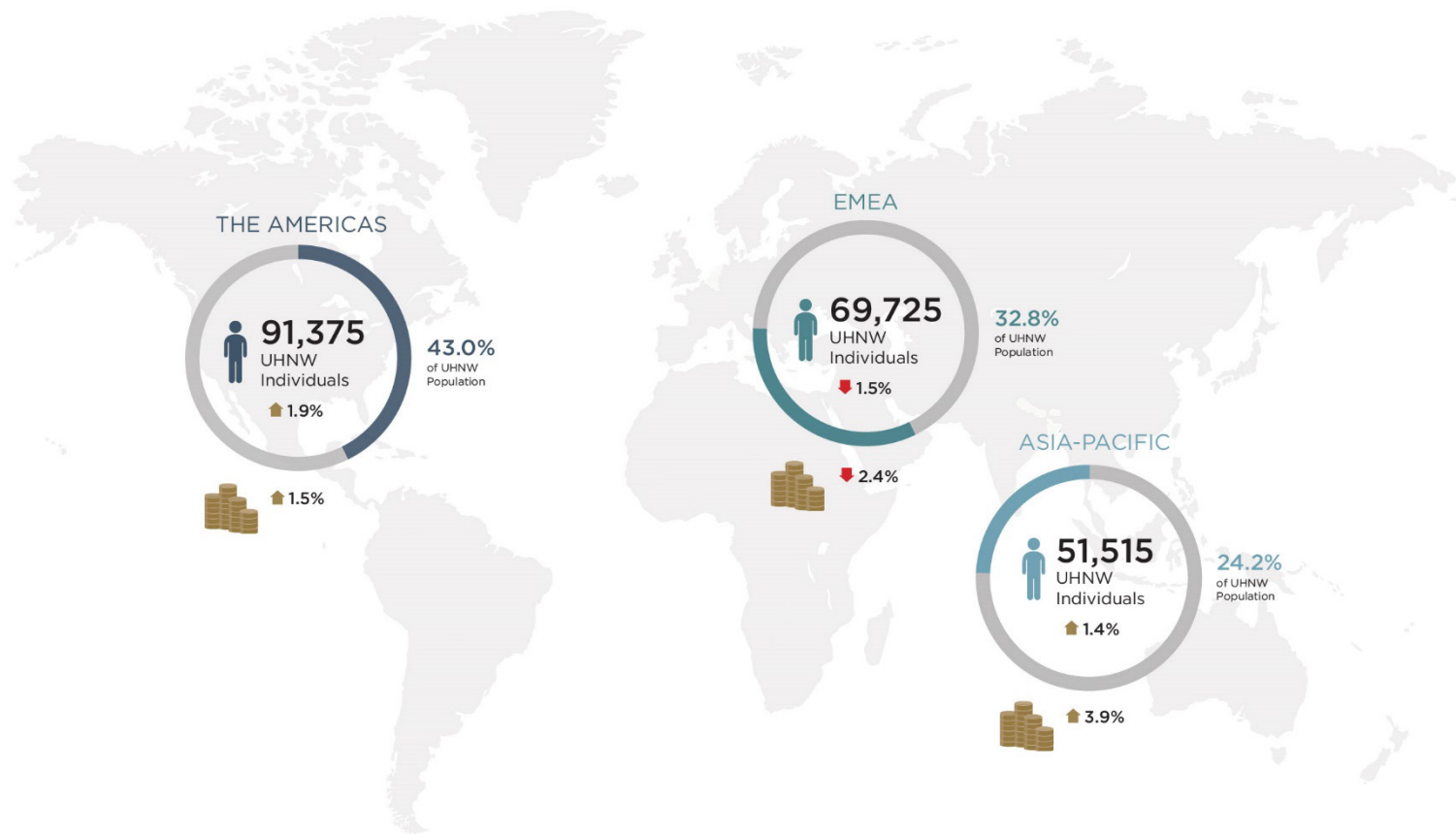


US\$30.0
Trillion
UHNW Wealth

Total Wealth Change
% from 2014

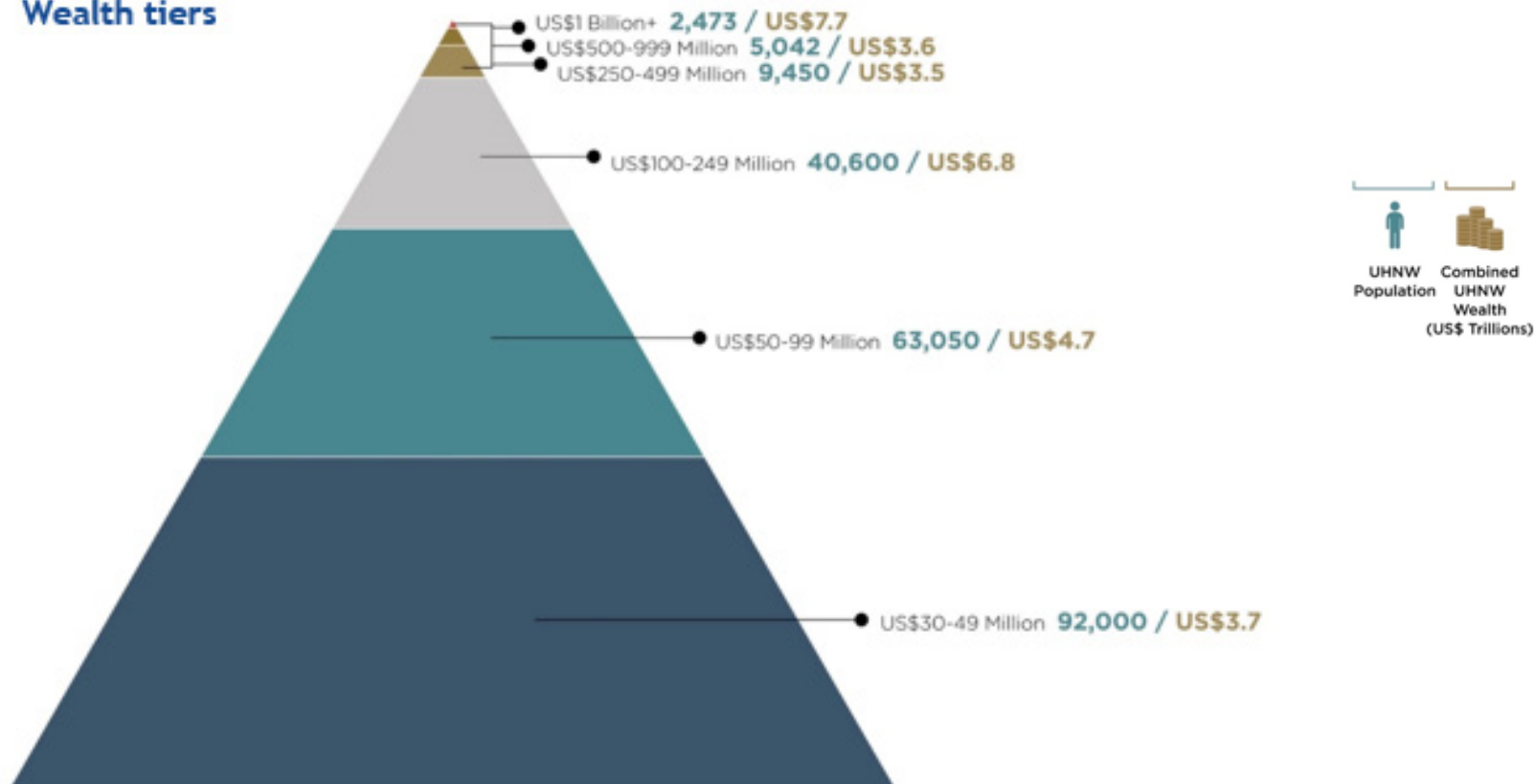
↑ 0.8%

THE AMERICAS STILL HOLD OVER 40% OF THE WORLD'S UHNW POPULATION



THE WORLD'S BILLIONAIRES, COMPRISING JUST 1% OF THE WORLD'S UHNW POPULATION, HOLD OVER A QUARTER OF UHNW WEALTH

Wealth tiers

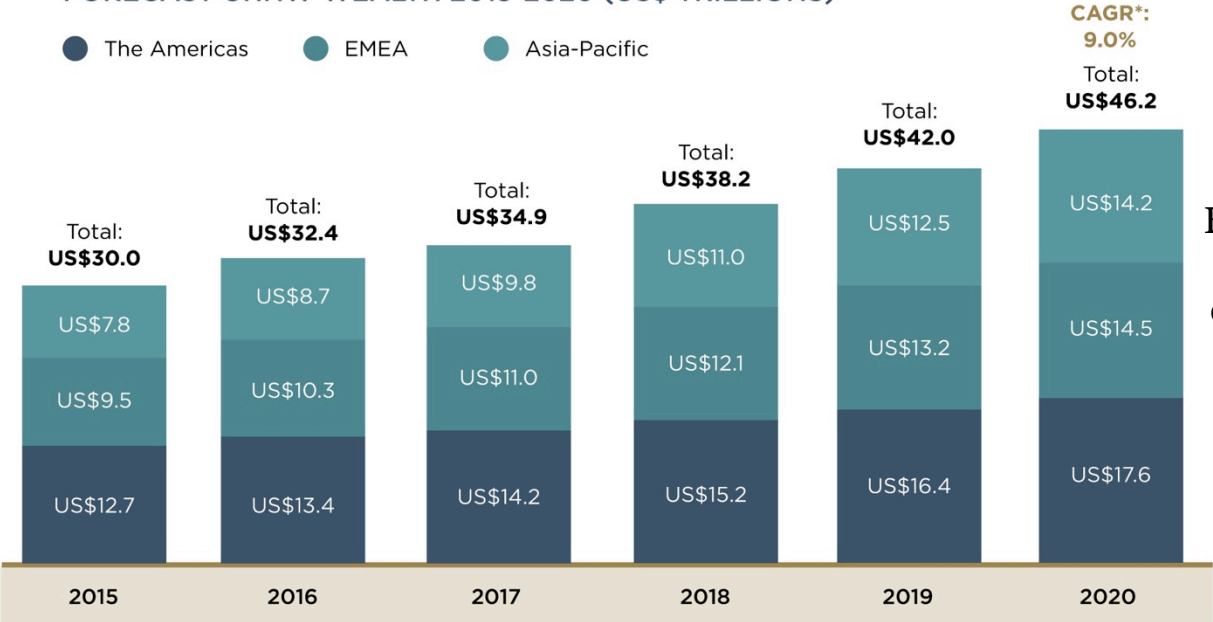


Source: Wealth X

UHNW GLOBAL WEALTH EXPECTED TO REACH US\$46.2 TRILLION BY 2020

FORECAST UHNW WEALTH 2015-2020 (US\$ TRILLIONS)

● The Americas ● EMEA ● Asia-Pacific



By 2020 UHNW wealth is expected to grow to US\$46.2 trillion at a compound annual growth rate of 9%.

Furthermore, the UHNW population is expected to exceed 318,000.

Totals may differ due to rounding

PERFORMANCE BY REGION

IN THE AMERICAS, IT WAS LATIN AMERICA, RATHER THAN NORTH AMERICA, THAT HELPED THE REGION ACHIEVE A MODEST 1.5% GROWTH IN UHNW WEALTH

Region	UHNW Population Change 2014-2015	UHNW Wealth Change 2014-2015
World	▲ 0.6%	▲ 0.8%
The Americas	▲ 1.9%	▲ 1.5%
EMEA	▼ 1.5%	▼ 2.4%
Asia-Pacific	▲ 1.4%	▲ 3.9%



The Americas growth was largely driven by Latin American countries

Ranking	Country	2015		UHNW Population Growth	UHNW Wealth Growth
		UHNW Population	UHNW Wealth (US\$ Billion)		
	The Americas	91,375	12,680	▲ 1.9%	▲ 1.5%
1	United States	69,350	9,525	▼ 0.3%	▼ 1.1%
2	Canada	6,175	750	▲ 16.4%	▲ 18.1%
3	Brazil	4,775	935	▲ 13.0%	▲ 14.0%
4	Mexico	3,475	460	▲ 0.1%	⚬ 0.0%
5	Argentina	1,175	165	▼ 0.8%	▲ 3.1%
6	Colombia	825	110	▲ 23.1%	▲ 29.4%
7	Venezuela	550	70	▲ 20.9%	▲ 16.7%
8	Chile	525	75	▲ 1.9%	⚬ 0.0%
8	Peru	525	65	▲ 1.9%	⚬ 0.0%
10	Ecuador	310	33	▲ 10.7%	▲ 10.0%

IN EMEA, UHNW WEALTH FELL BY 2.4% AS EQUITY MARKETS, LOCAL CURRENCIES AND GDP COLLECTIVELY EXPERIENCED NEGATIVE NET RETURNS

Region	UHNW Population Change 2014-2015	UHNW Wealth Change 2014-2015
World	▲ 0.6%	▲ 0.8%
The Americas	▲ 1.9%	▲ 1.5%
EMEA	▼ 1.5%	▼ 2.4%
Asia-Pacific	▲ 1.4%	▲ 3.9%

The UK was one of the biggest losers in UHNW population and wealth changes

Ranking	Country	2015		UHNW Population Growth	UHNW Wealth Growth
		UHNW Population	UHNW Wealth (US\$ Billion)		
	EMEA	69,725	9,510	▼ 1.5%	▼ 2.4%
1	Germany	19,375	2,635	▲ 1.5%	▲ 2.1%
2	United Kingdom	10,650	1,305	▼ 7.5%	▼ 9.7%
3	Switzerland	6,925	820	▲ 4.4%	▲ 3.8%
4	France	4,900	580	▲ 3.2%	▲ 2.7%
5	Italy	2,350	280	▲ 2.4%	▲ 3.7%
6	Spain	1,725	215	▼ 4.2%	▼ 4.4%
7	Saudi Arabia	1,500	315	▲ 0.3%	▼ 1.6%
8	Netherlands	1,375	190	▲ 0.4%	↔ 0.0%
9	United Arab Emirates	1,275	250	↔ 0.0%	▼ 2.0%
10	Sweden	1,100	130	▼ 2.7%	↔ 0.0%



ASIA-PACIFIC SAW THE GREATEST GROWTH OVER THE YEAR WITH TOTAL UHNW WEALTH RISING BY 3.9% TO US\$7.8 TRILLION

Region	UHNW Population Change 2014-2015	UHNW Wealth Change 2014-2015
World	▲ 0.6%	▲ 0.8%
The Americas	▲ 1.9%	▲ 1.5%
EMEA	▼ 1.5%	▼ 2.4%
Asia-Pacific	▲ 1.4%	▲ 3.9%



Performance across countries has varied widely

Ranking	Country	2015		UHNW Population Growth	UHNW Wealth Growth
		UHNW Population	UHNW Wealth (US\$ Billion)		
	Asia-Pacific	51,515	7,785	▲ 1.4%	▲ 3.9%
1	Japan	15,450	2,680	▲ 5.0%	▲ 10.3%
2	China	12,050	1,740	▲ 8.9%	▲ 11.2%
3	India	8,850	1,040	▲ 3.0%	▲ 2.7%
4	Hong Kong	3,800	705	▲ 13.9%	▲ 18.5%
5	Australia	2,475	295	▼ 30.9%	▼ 33.0%
6	South Korea	1,350	255	▼ 8.2%	▼ 8.9%
6	Singapore	1,350	175	▼ 3.2%	▼ 2.8%
8	Taiwan	950	145	▼ 27.8%	▼ 35.6%
9	Indonesia	825	120	▼ 5.7%	▼ 7.7%
10	Thailand	775	145	▲ 5.4%	▲ 7.4%

SOURCES OF WEALTH

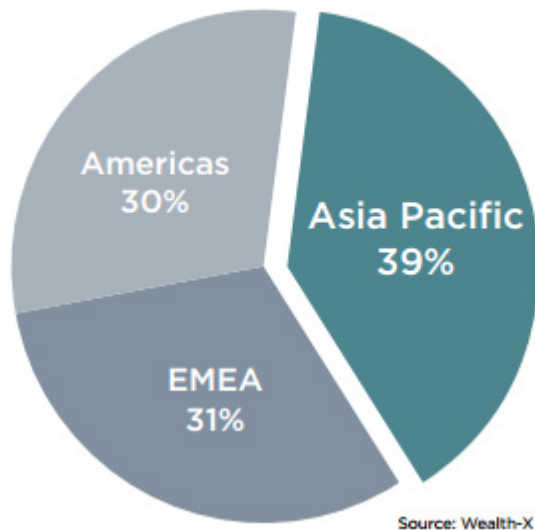
SOURCE OF WEALTH BY REGION



“Self-made wealth in the region is now starting to be transferred down to second generations, creating a sizeable and younger generation of UHNW individuals whose wealth management expectations will need to be met.”

UHNW GROWTH FORECAST

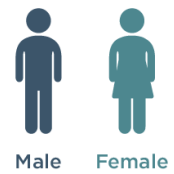
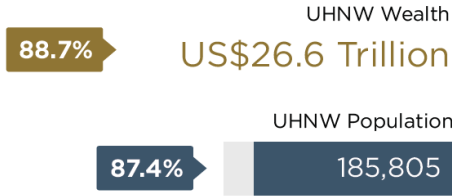
ATTRIBUTION OF EXPECTED GROWTH IN UHNW WEALTH 2015-2020



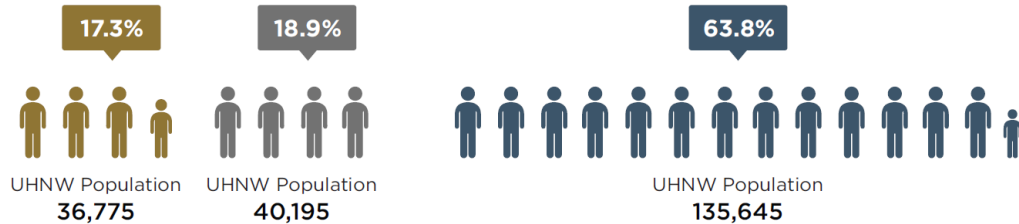
We expect wealth in the Asia-Pacific area to continue to grow at the fastest rate—adding \$6.4tn in UHNW wealth in the area by 2020.

PROFILING THE UHNW INDIVIDUAL

THE AVERAGE UHNW INDIVIDUAL—MALE, SELF-MADE, AND NEARLY 60



SOURCE OF WEALTH



TOTAL: 212,615 | 🏠 0.6%

● Inheritance ● Inheritance/Self-Made ● Self-Made

HOW TO ENGAGE THE UHNW

APPLYING WEALTH INTELLIGENCE

- Net Worth: \$33.6B
- Liquidity: \$2B
- Philanthropy
- Clubs & Boards
- Known Associates
- Service Providers
- Family Details
- Political Interests
- Private Foundations
- Career History
- Beijing, China
- Age: 62
- Biography
- Wealth Analysis
- Family Office
- Contact Information
- Interests, Passions, Hobbies
- Interesting Facts

INTRODUCTIONS

SHARED CONNECTIONS

COMMONALITIES

Jianlin Wang



THANK YOU

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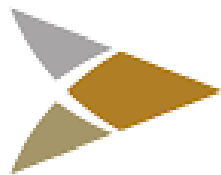
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**“The choice of a state
in which to establish a trust is as critical as the decision
to create one.”**

**“La elección de un estado en el que establecer un
fideicomiso es tan crítico como la decisión de crear
una.”**

*Elizabeth Mathieu,
President of Neuberger & Berman*

THE VITAL IMPORTANCE OF CHOOSING THE CORRECT TRUST JURISDICTION

	South Dakota	Nevada	Wyoming	Alaska	Delaware
Dynasty Trusts	Yes <i>Ranked as #1 [1]</i>	Yes <i>Ranked as #2 [1]</i> <i>State constitution prohibits modification to RAP [2]</i>	Yes <i>Ranked as #5 [1]</i> <i>State constitution prohibits modification to RAP [2]</i>	Yes <i>Ranked as #4 [1]</i>	Yes <i>Ranked as #6 [1]</i>
State Income Taxation	No	No	No	No <i>Future uncertain</i>	No <i>Only for non-residents</i>
Community Property Trusts	Yes [3] <i>Effective July 1, 2016</i>	Yes <i>Only for residents</i>	No	Yes <i>Future uncertain</i>	No
Domestic Asset Protection Statute	Yes [4] <i>2 year statute of limitations</i> <i>Exception for child support</i>	Yes [4] <i>2 year statute of limitations</i> <i>No exceptions for child and spousal support</i>	Yes [4] <i>4 year statute of limitations</i> <i>Exception for child support</i>	Yes [4] <i>2 year statute of limitations</i> <i>Exception for divorcing spouse</i>	Yes [4] <i>4 year statute of limitations</i> <i>Exceptions for child and spousal support</i>
Trust Protector	Yes	Yes	Yes	Yes	Yes
Directed Trusts	Yes	Yes	Yes	Yes	Yes
Decanting Statute	Yes <i>Ranked as #1 [5]</i>	Yes <i>Ranked as #2 [5]</i>	Yes <i>Ranked as #10 [5]</i>	Yes <i>Ranked as #7 [5]</i>	Yes <i>Ranked as #5 [5]</i>
Trust Privacy Provision	Yes - Total Privacy Seal Forever <i>Automatically attaches</i> <i>"Of the top tier trust jurisdictions, South Dakota has the best trust privacy laws." [2]</i>	No Total Privacy Seal [2] <i>Subject to judge discretion</i>	No Total Privacy Seal [2] <i>Subject to judge discretion</i>	No Total Privacy Seal [2] <i>Subject to judge discretion</i>	Yes - Three Year Privacy Seal [2] <i>Subject to judge discretion</i>
Special Purpose Entity	Yes [2]	Yes [2]	Yes [2]	Yes [2]	Yes [2]
Family Advisor	Yes	No	No	No	No

* Denotes superior distinction among jurisdictions.

[1] - see Attorney Steve Oshins' "4th Annual Dynasty Trust State Rankings Chart"
 [2] - see Merric, Mark & Worthington, Daniel G., "Which Situs is Best in 2016?" *Trusts & Estates* January 2016
 [3] - see South Dakota Special Spousal Trusts, House Bill 1039 (2016) (Sections 29-42)
 [4] - see Attorney Steve Oshins' "6th Annual Domestic Asset Protection Trust State Rankings Chart"
 [5] - see Attorney Steve Oshins' "3rd Annual Trust Decanting State Rankings Chart"

WHERE IN THE WORLD ARE THE WEALTHY? | DONDE EN EL MUNDO ESTEN LOS RICOS?

