

GGI World Conference at the Le Parker Meridien New York

Workshop Minutes - Profiting from an Investment services partnership.

Saturday, 28th October 2006

Chaired by : Kevin Mifsud and Mark Lamb

Participants: Javier Carretero; Alistair Duncan; Michael Munkert and Robert D'Alessandro

How can GGI members maximise their business opportunities through the network?

The work shop discussed and identified an opportunity to create an investment services partnership.

Under EU laws, investment firms regulated in one member state can 'passport' their services to another member state (EU or EEA country).

The process is straightforward and one must follow 3 basic steps:

- (i) The investment firm (in this case regulated in Malta / EU) gives notice of its intention to its home regulator that it wishes to passport its service to another EU member (eg. Spain);
- (ii) The Malta regulator notifies the regulator of the intended country (e.g. Spain);
- (iii) The regulator in Spain confirms to the firm that it may provide such services.

FPC Investment Consultants Limited has been established in Malta since 1999 and is fully regulated by the Malta Financial Service Authority. FPC is the investment services arm of Credal Solutions, GGI's Malta member and offers its clients independent financial advice. It has terms of business with major institutions such as Lloyds TSB, Generali, Invesco, HSBC International, Royal Skandia, Friends Provident etc.

FPC and GGI member firms may create between them a joint venture. Whilst most professionals are interested in additional revenue streams, one is also weary of the burden this can create in respect of additional administrative costs together with regulatory expenses, especially in cross border transactions. This model removes such burdens and allows practises to concentrate on what they are good at. Through introducers or workshops by GGI members, FPC may be able to "passport" their services to any GGI member and offer potential clients independent financial advice.

Following a short presentation, an interesting debate followed and one excellent proposal was to explore ways on how to be able to offer this advice through a trust. The discussion continued out of the workshop and late in the bar where another interesting suggestion was to create a GGI investment product through the existing expertise of individuals within the network. The discussion will surely continue.....