



USA FRANCE
FINANCIALS GROUP



7 Financial Planning Tips for Foreign Residents in the U.S.

Alexandre QUANTIN
MBA, RICP®
Partner
Wealth Management Advisor



Navigating the U.S. financial system can be a challenge for foreign residents. To help you establish a solid financial foundation and plan for your future, here are seven essential tips tailored to expatriate realities.

1. Protect your family

Your family's financial security is paramount. In the U.S., it's crucial to have the right level of coverage:

- **Life insurance** 🖱️ This guarantees that your family will have at least some financial protection in the event of a tragic event. Temporary or permanent coverage may be suitable, depending on your needs.
- **Disability insurance** 🖱️ Provides income in the event of inability to work due to illness or accident.
- **Health insurance** 🖱️ Health care can be very expensive. Taking out the right medical insurance is essential to help protect your savings from unexpected expenses.

Protecting your family with these insurances can help give you confidence knowing that your loved ones will be supported in the event of a hard blow.

2. Protecting your assets

Protecting your assets involves risk prevention strategies:

- **Umbrella Policy** 👉 Third-party liability offers additional protection against litigation or liability beyond the limits of your auto/home insurance policies.
- **Estate documents** 👉 Documents such as wills and powers of attorney are crucial. If you have children, appoint a legal guardian for them.
- **Family LLC** 👉 Creating a family corporation can help protect your assets and simplify estate management. These measures preserve your family wealth while protecting your financial confidence in the face of the unexpected.

3. Building a solid foundation with liquid assets

To deal with the unexpected, make sure you have an emergency fund:

- Set aside **6 to 12 months' worth of living expenses** in an easily accessible account. This helps ensure that you'll be able to cover your basic needs, even in the event of job loss or financial emergency.

A robust emergency fund protects you from the unexpected while avoiding compromising your investments or credit.

4. Build a good credit score fast

Credit score is essential in the U.S., and it's influenced by many aspects of financial life:

- Start by **opening a secure credit card** and use it regularly while paying off the balance each month.
- **Paying your bills on time** is crucial to avoiding penalties and building a positive credit history.
- Check your credit score regularly to **correct any errors** and monitor your progress.

Building good credit from the moment you arrive opens doors to more advantageous financial and credit opportunities in the long term.

5. Invest in American Financial Products

Diversify your investments to take advantage of the opportunities offered by the American market:

- **Alternative asset classes** 👉 Private funds (Private Credit and Private Equity) can diversify your investments.
- **US stock market** 👉 Investing in stocks or index funds can help you benefit from long-term US economic growth.
- **Cash Value in Permanent life insurance** 👉 In addition to protection, the premiums contributed will help accumulate tax-deferred cash value that you can then borrow from or withdraw for cash.
- Investing on familiar ground in the US system can enable you to take advantage of local opportunities while diversifying your assets.

6. Use leverage appropriately

Financial leverage can be a powerful tool if used properly:

- **Real estate loans** 👉 Consider buying a property by using real estate borrowing. This could allow you to access property more quickly while keeping the opportunity for your cash to be at work in other asset classes.
- **Use of existing assets** 👉 Take advantage of credit lines based on your existing assets, such as :
 - a. **HELOC**: credit line on your real estate value
 - b. **SBLOC**: loan collateralized by a portfolio of stocks and bonds
 - c. **IBLOC**: a loan collateralized by U.S. permanent life insurance.

Using financial leverage wisely can accelerate your wealth progression while optimizing your existing resources.

7. Preparing for retirement with complementary strategies

Proactive planning will help you maintain your quality of life in retirement:

- **Flooring** 👉 Works to ensure a guaranteed minimum income through solutions such as annuities or guaranteed capital investments. This can help guarantee¹ financial security for your basic expenses in addition to your social security checks.
- **Bucketing** 👉 Segment your assets into “buckets” according to time horizon by dedicating certain assets to certain phases of your retirement. You can do this for your immediate, medium-term and long-term needs.

Planning your retirement with the right strategies can ensure lasting financial stability and long-term confidence.

Conclusion :

As a foreign resident in the U.S., adopting these sound financial practices will help you secure your resources, protect your family and optimize your investment opportunities. Proactive planning and informed decisions are the keys to a stable and prosperous financial future.



USA FRANCE
FINANCIALS®

Alexandre QUANTIN
MBA, RICP®
Partner
Wealth Management Advisor



Future written communications may be in English only. Material discussed is meant for general informational purposes only. The information should be relied upon only when coordinated with individual professional advice. Guardian, its subsidiaries, agents, and employees do not provide tax, legal, real estate, loan, or accounting advice. Consult your tax, legal, or accounting professional regarding your individual situation. Neither Guardian nor its subsidiaries issue health or umbrella insurance.

Securities products and advisory services offered through Park Avenue Securities LLC (PAS), member FINRA, /SIPC. OSJ: 150 S Warner Road, Suite 120, King of Prussia, PA 19406, ph# 667.318.0801. PAS is a wholly owned subsidiary of The Guardian Life Insurance Company of America® (Guardian), New York, NY. USA France Financials is not an affiliate or subsidiary of PAS or Guardian. Fee-based financial planning is offered by appropriately licensed and qualified Investment Advisor Representatives of Park Avenue Securities (PAS). 7636294.1 Exp 2/27