

Institutional Securities-based Financing Services

Securities-based Financing Solutions

Custom Institutional Credit Lines

For Personal and Professional Applications

Flexible Securities-based Financing

- ◆ Easy qualifying over a broad range of securities.
- ◆ Loans are 100% managed through top-tier, U.S.-based institutions; every securities account is SIPC insured.
- ◆ Full range of custom features; high advance rate, low interest rates, flexible custom terms and benefits personalized to each case.
- ◆ Rapid funding and far less paperwork than traditional commercial lending. No advance fees, no set principal repayment.
- ◆ Collateral remains in client's own account and title at all times.
- ◆ Able to handle challenging or complex funding cases.
- ◆ Feature-rich financing in a secure, institutionally managed package.

A Limited-Recourse Option if Desired

- ◆ For marginable and optionable securities, a Put (and Call) can be structured as a hedge against the risk of default. When structured properly, it can limit exposure of client assets to surrender of the (presumably devalued) collateral only.
- ◆ Created so that surrender of shares in default plus exercise of option will be sufficient to cover any outstanding principal.
- ◆ A loan structured in this way can limit worst-case risk of asset attachment to underlying collateral, regardless of portfolio price.
- ◆ As with all lending through this program, prepayable at any time. No prepayment penalty for floating rate line of credit.

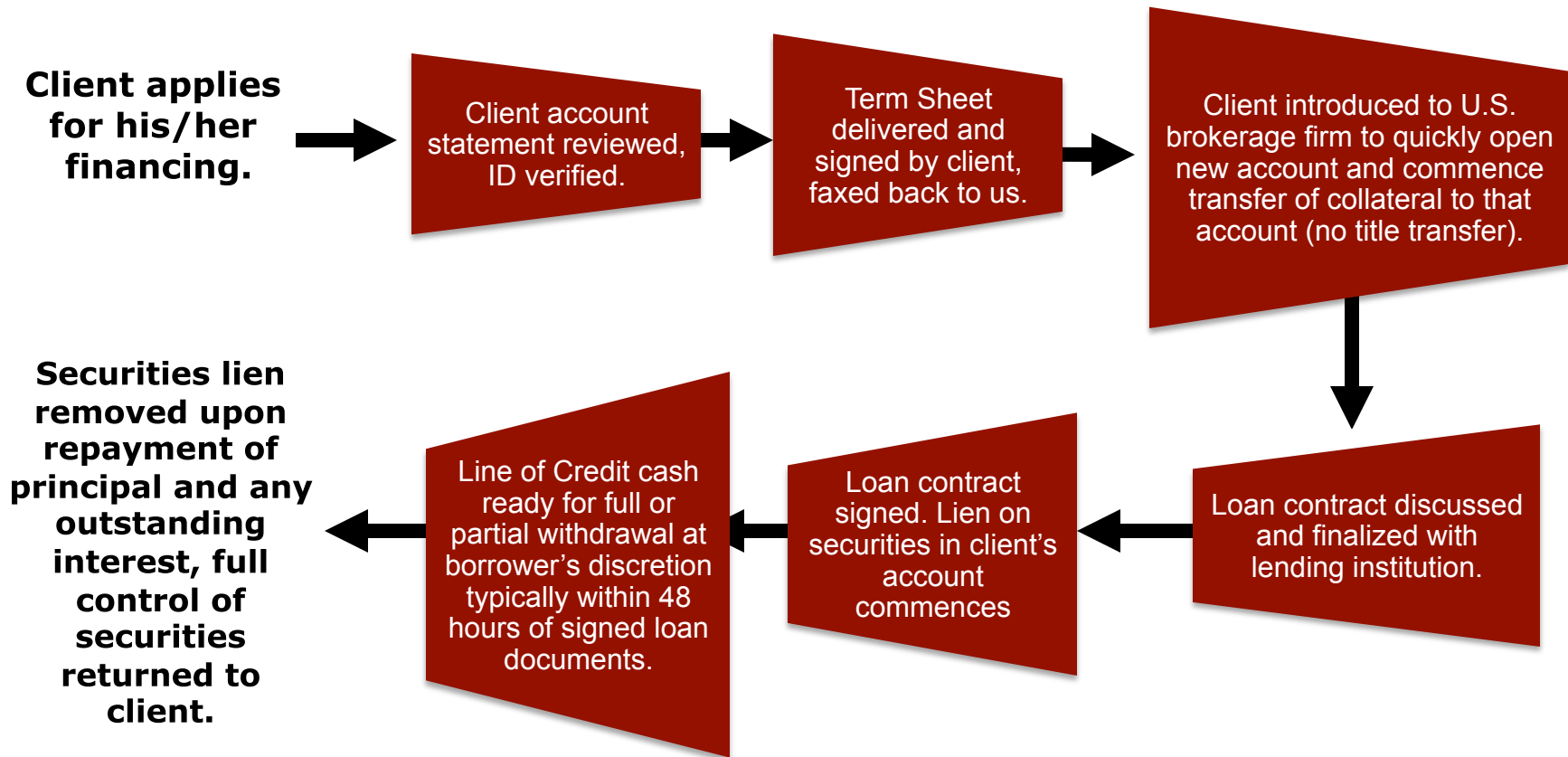
Multiple Exit Choices

- ◆ **Standard Exit Option:** *(Loan fully repaid in cash)* Lien removed on the collateral account and shares freely available again to borrower.
- ◆ **Out-of-the-Money Exit Option:** *(Securities worth less than loan payoff amount at loan maturity)* Client can surrender shares; or can execute option structured into the limited-recourse model if that structure is in place.
- ◆ **In-the-Money Exit Option:** *(Securities worth more than loan payoff at loan maturity)* Client can sell enough shares from the collateral account to repay the loan, with all remaining value, if any, retained by client following repayment.
- ◆ **Payoff Anytime Exit Option:** Client pays off principal and any interest due up to that date. Lien removed on the collateral account and shares freely available to borrower. Prepayment permitted any time; no penalty for floating rate loans.
- ◆ **Rollover Option:** New documents will be issued, and the loan continued typically at re-negotiated rates. Line of credit loans may be paid and “refilled” over time repeatedly provided collateral is maintained.

Qualifying Eligibility

- ◆ Very broad range of eligible securities.
- ◆ Up to 95% advance rate for Treasury bills.
- ◆ Up to 92% for Ginnie Mae/Fannie Mae CMOs.
- ◆ Up to 90% for marginable, optionable securities in a limited recourse (hedged portfolio) variant.
- ◆ Up to 85% for a wide variety of other quality securities.
- ◆ *Full list of criteria available on request.*

The Lending Process



Enhancing Your Financing Options

- ◆ Refinance existing margin loans on far better terms.
- ◆ Enable two-component financing: Use our facility for downpayment cash, allowing you to retain your shares without having to lose ownership.
- ◆ Allow far greater weighted LTV value than is the case using securities without our loan component.
- ◆ Accept a far greater range of securities, provide better terms, and supports client loyalty.
- ◆ Full disclosure for maximum compliance with any future consumer regulation.

Retirement and Estate Planning Support

- ◆ Applies well to estate planning solutions for clients who are retired or soon-to-retire. Facility allows clients to leverage assets whose basis would step up at the time the estate is transferred, yielding possible advantages.*
- ◆ A securities-based line-of-credit solution for many different types of personal and corporate financing challenges.

Advisor-Friendly Financing

- ◆ You may be happy with your existing financial advisor. If so, we can work with him/her to achieve mutually satisfactory outcomes.
- ◆ A strong lending facility with a unique combination of security and client-driven features.
- ◆ This quick-closing, enhanced line-of-credit facility will accept a far greater range of securities than is usually the case, including high-dividend REITS, mutual funds, and Ginnie Mae/Fannie Mae CMO's.

Quick Facts

- ◆ Lien-type loan on client securities, lifted at loan payoff.
- ◆ Interest-only repayment standard, although client may choose to include a principal component if desired.
- ◆ Fixed rate term-style loan also available upon request.
- ◆ *Minimal paperwork*; client must have assets to demonstrate ability to service debt, but eligibility focus is on collateral quality.
- ◆ Speedy closing; Loan cash typically deposited within 48 hours of signed loan documents. (*Note: client may not have any liens, divorce disputes, or other issues that would impact title to collateral*).
- ◆ Top-tier U.S. firms only. A “no-nonsense” lending facility for serious securities owners and investors only.

Next Steps

- ◆ Identify your securities assets, including those you may have considered for sale in the past.
- ◆ Let us know what securities you have and what you are looking for, and obtain a copy of your account statement.
- ◆ Provide as much information as possible on your objective for the funds, and any priorities or other requirements you have so your financing can be properly structured.
- ◆ We will speak with you, then immediately proceed to develop and deliver a quote for your immediate review and consideration.

Contact Us

For Further Information Please Contact:

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