



*Presenting*

**The Leverage Line™ SBL Program**

**Next-Generation Financing for Securities Owners**

***Leverage – Don't Liquidate – for the Funding You Require***

[ Client Presentation ]

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## The Service

- A securities-based credit line that can be an excellent source of funds for anyone who holds publically traded stocks or other eligible securities (US or selected foreign issues) who is able to borrow against them.
- A “light doc” loan where credit is not referenced or reported, so as not to affect current or future bank financing conditions. Paperwork: minimal.
- Financing closes within 14 days after borrower accepts the offer, and within three days of signing the credit line agreement.
- Borrower retains full and sole ownership of his securities and his account throughout the loan process, and receives all interest, dividends, and appreciation as he/she would normally.

## LeverageLine SBL™: The Goal

***Close quickly, avoid letting opportunity pass, and do it all without impeding your other financing options or long-range financial plans.***

That isn't so easy these days. The real estate area is a good example. Restrictions have greatly increased and limitations dramatically tightened across the board for all types of real estate activity. Traditional Fannie Mae or Freddie Mac lenders have added extra barriers designed to limit risk, even for those with superior credit. Those seeking bridge loans often face massive paperwork and opportunity-destroying delays.

Those fortunate enough to obtain financing often do so only after passing very high hurdles that include putting homes savings accounts, and other assets at shared risk. All of this can mean missed opportunities.

None of these are issues with *LeveragLine SBL™*.

## Business, Franchise Buyers Also Face Reality

As tough as things have been for the real estate investment community, those seeking to purchase a business or buy/expand a franchise have often faced even tougher hurdles:

- SBA loans are now very difficult to obtain with a very slow approval process.
- LTV limits are significantly lower for all types of conventional lending.
- Long-time bank relationships are no automatic guarantee of financing now.
- Limits on financing typically restrict investment in multiple businesses.
- Hard money direct financing is still the most expensive and slowest method.
- Extraneous costs are no longer folded into loans as in the past.
- Other alternative finance options often risky and unacceptably costly.
- Securities are often too valuable or expensive (= taxes) to liquidate.

## Overall: Little Improvement on Horizon

- Institutions will remain risk-averse for foreseeable future.
- Virtually every investment scenario will still be affected.
- U.S. lowered credit rating will continue to make all financing more expensive.
- Will apply even to clients with the very best credit ratings.
- Existing, profitable businesses as well as individuals find it nearly impossible to obtain quality, speedy, adequate funding.

## An Credit Line Against a Securities Portfolio Has None of These Drawbacks

- **No red tape:** Your securities portfolio is your principal guarantee. No credit checks, no reporting, no administrative delays.
- **Speedy, quick:** Cash available for draw within three days of signing of credit line agreement. Simple, straightforward. Almost all funding completed within 14 business days to allowing you to take advantage of most financing opportunities.\*
- **Client control:** You get the peace of mind of knowing that you have the best rates and terms in the market; a major, fully licensed, transparent, and regulated U.S. lender; and full control of your credit line from start to finish with 24/7 online access and many other features.

\* (Note: If you wish to have a company or trust rather than an individual be the loan account signatory, additional due diligence may be required per federal regulations. This may add up to two weeks of additional processing time).

## Who Can Benefit

- Real estate brokers/professionals/investors.
- CPA's with clients need funding options.
- Business brokers who work with potential buyers.
- Business coaches/financial planners of all kinds.
- Franchise developers/directors/brokers/consultants.
- Anyone seeking funds who does not wish to sell their stocks or other securities and prefers an institutional, fully licensed and regulated U.S. top-tier institutional lender

## Who Can Benefit *(Cont'd)*

### **Businesses/Brokers/ Coaches/Franchise Applications**

- Diversifying to another business or franchise
- Business expansion/business acquisition
- Buying real estate
- Remodel office
- Purchase of equipment, signage, hardware, furniture, etc
- Partner buy-out
- Refinance higher interest debt
- Promissory note payoff
- Down payment money
- Relocate business

### **Real Estate Investors and Other Applications**

- Financing residential or commercial property
- Financing “rehab” units/new construction
- Providing another option for down-payment cash (for a traditional loan)
- Funding foreclosures & short sales
- Financing commercial investors/  
franchise buyers
- Financing for foreign real estate investors
- Partner buy-outs
- Land sales
- Cash for other real estate costs

## Rates and Terms

**Interest rates:** Our rates average from around 1.4% for credit lines over \$4M up to 5.5% for credit lines as low as \$10,000. Preferred target initial portfolio value to ensure best (preferred) rates/terms is min. \$155,000. Final rate offers will depend on the actual securities in client's portfolio, but our rates will always be superior to conventional or SBA lending scenarios, and we will outbid any verifiable, written financing offer that is presented.

**Credit line terms:** No credit line maturity dates. No mandatory balloon payments. You will have the freedom to pay back the amount you've drawn from your line (the principal) at your leisure, and when you do, there is no penalty – even if you pay off your loan a month after the line is open. Lines with zero balances are always free – no interest is assessed, no payments due.

**Payoff when you like.** These are credit lines, so you will have very low, interest-only terms from the outset and throughout your financing.

## Release Rates and Documentation

**Release rates (LTVs):** *Volatility is key*; credit release rate can be as high as 97% of securities value for lowest-volatility securities like Treasury bills; For common equities, the release rate is 65% - 70% due to their higher volatility. Clients with cash can request their licensed lender advisor to purchase securities optimized for highest LTV if they wish.

**Documentation:** *Minimal*. Client or business credit not a factor and loan not reported to credit bureaus. Shares must only be free-trading and clear of any liens or restrictions. This is a simple asset-based financing program. No other criteria apply if the assets are free of claims.

## When You Don't Have Eligible Securities

*We still have a program for you...*

- **Cash Plus Securities:** If you have cash and low-priced or non-qualified securities, your licensed lender advisor can work with you to restructure your holdings into, for example, low-volatility, high loan-to-value securities for your credit line.\* The process is simple and easy. If this is your situation, your Term Sheet will be created with the restructure option included.
- **Cash Alone:** Working with your licensed lender advisor, you can purchase securities that meet your financial objectives while also taking advantage of your securities-based credit line. Again, this can be reflected in your Term Sheet.
- **At All Times *Your Objectives Matter Most*:** Your licensed lender advisor will work with you to meet *your* investment objectives only.

*\*Note:* If any tax issues are involved during the restructuring process they are your responsibility client-owner and you should consult with a licensed tax professional for advice or guidance in this area. Neither your licensed lender nor ABN will offer any form of tax advice pursuant to this financing.

## Still More Advantages

- **Dividends:** Paid directly to you as usual. No finance-related delays.
- **No Sale of Your Securities:** Your securities are not sold unless you as owner choose to sell them. You can trade in your account (sell) as long as you maintain reasonable collateral value requirements. Your licensed advisor will always be on hand to assist.
- **Support:** Your licensed, FINRA-member advisor will also assist you with research and other support tasks when and if needed. You can also ask your advisor to manage your portfolio in its entirety for a small annual management fee equal to 1% of the portfolio (optional, not required).
- **Advisory support from your existing broker? OK:** Your new institutional lender advisor can take a “junior” advisory role if your current broker’s institution allows it and you’d still like their advice/support.

## Qualifying (Eligible) Securities

**Min. price per share: US\$5** (*\$10/share or higher for best rates/terms*)

**Min. volume of trading: 50,000 shares/day avg.)**

**Min. initial portfolio value: \$50,000;** (*\$155K preferred for best rates/terms*)

- U.S. stocks
- Qualified foreign stocks
- Mutual funds
- U.S. Treasury notes/bills/strips
- U.S. government agency bonds
- Municipal and corporate bonds
- Exchange-Traded Funds (ETFs)
- Publically traded REITs
- Unit Investment Trusts
- Cash (for placement into securities)
- Selected Money Market funds
- *Not accepted: Medium Term Notes (MTNs), Standby Letters of Credit, foreign bonds, zero coupon bonds IRAs, or 401K Plans.*

## Who is This About?

**Not About Us:** We are not your lender. Your lender is a major, fully licensed, transparent U.S. financial institution, licensed in all 50 states and most major world cities, a 100+ year-old household-name institution of the highest caliber. Per the institution's regulations, your lender is fully disclosed to you and an introduction made *only* upon return of your signed, no-obligation term sheet, which stipulates your basic understanding of your credit line offer.

**Safety and Value Primary:** ABN works for *you*. We do not work for the lending institution and we are not compensated by that or any other institution in any manner, nor are any of our staff or associates. Our job is to ensure we've delivered a credit line facility that meets the highest possible standards, and we're paid a fair and reasonable fee based on the amount of credit we've been able to obtain for you.

## Summary of Key Program Features

- ***Legitimacy:*** A fully licensed and regulated U. S.-based lender.
- ***Insured:*** SIPC-insured brokerage accounts; FDIC-insured cash accounts.
- ***No transfer:*** Securities remain in client's solely-owned account & title only.
- ***No sale:*** Securities are never sold to fund the line. Client retains full control.
- ***Impartiality:*** We are not compensated by any lender or institution.
- ***Speedy:*** Funding in 14 days standard. No credit-related red tape.
- ***Rights preserved:*** All dividends paid when earned. Voting rights preserved.
- ***Protected:*** "Elastic" credit line: When portfolio grows, you get more credit.
- ***Control:*** You may terminate at any time if no credit is repaid or zero.
- ***Licensed:*** Fully licensed, dedicated FINRA-member lender advisors *only*.
- ***Tools:*** 24/7 online access with full suite of professional trading tools/support.
- ***Trading:*** Freedom to trade in account even while credit line is active.

## Getting Your Term Sheet Quote

- 1. Assemble Your Documents:** Obtain a copy of a recent brokerage statement and a picture ID, such as a driver's license. Online statements are fine.
- 2. Go to Our Online Quote Request Form.** Use the contact information on the next page, or [click here](#) to go to the form now.
- 3. Client Receives Term Sheet:** Your Term Sheet outlines your specific financing offer, including rates and other important information. By signing and returning this you incur *no* obligation of any kind to proceed, but it does allow us to move you directly into your licensed lending institution as a next step.
- 4. Open Brokerage Account, Sign Credit Line Agreement:** Your FINRA-registered, licensed advisor at your lending brokerage will open your account often the same day, after confirming your information. Upon arrival of your shares – which can be brought over directly, institution-to-institution, with your permission - the lender's banking division will provide your credit line agreement, which will mirror your Term Sheet. Once signed, your credit line will be available for wiring, check writing, or ATM withdrawal, within three business days.



## **Next Steps...**

***To apply now, or if you have further questions, please contact:***

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