

# Securities Based Lending Fact Sheet

**Securities Based Lending (SBL)** offers you a solution tailored to your needs. By using your portfolio as collateral, you can gain quick and easy access to a Securities Based Loan. Since the loan is collateralised by your portfolio, the interest costs are bespoke.

<b>Initiation fee</b> (natural persons)	R1 207.50 (inclusive of VAT)
<b>Monthly fee</b> (natural persons)	R69.00 (inclusive of VAT)
<b>Initiation fee for refinance</b> (legal entities including a trust, company, close corporation, partnership)	R6 250.00 (inclusive of VAT)
<b>Monthly fee</b> (juristics) (legal entities including a trust, company, close corporation, partnership)	<b>Private Wealth:</b> R245.00 (inclusive of VAT) <b>Private Clients:</b> R240.00 (inclusive of VAT)
<b>Structuring fee</b> (juristics) (legal entities including a trust, company, close corporation, partnership)	Discretionary fee
<b>Maximum term:</b> <i>Up to 36 months</i>	Option to renew your term (subject to credit approval)

## Investor Profile

If you are looking to expand your portfolio to include an additional investment, diversify and invest into an offshore portfolio, finance new business opportunities or invest in real estate, then the SBL facility will give you easy access to funds. This innovative solution is unique, as it allows you to borrow against your portfolio without having to break the term on your cash investments or liquidate your securities, which means that you are never out of the market.

## Determining Your Individual Lending Needs

In order to determine your individual lending needs, we review your portfolio alongside your credit profile to determine a facility amount that is tailored according to your borrowing needs. When assessing your application for a SBL facility, we consider several factors, including:

- The liquidity and diversity of your portfolio
- The market value of your portfolio
- Your ability to make consistent repayments

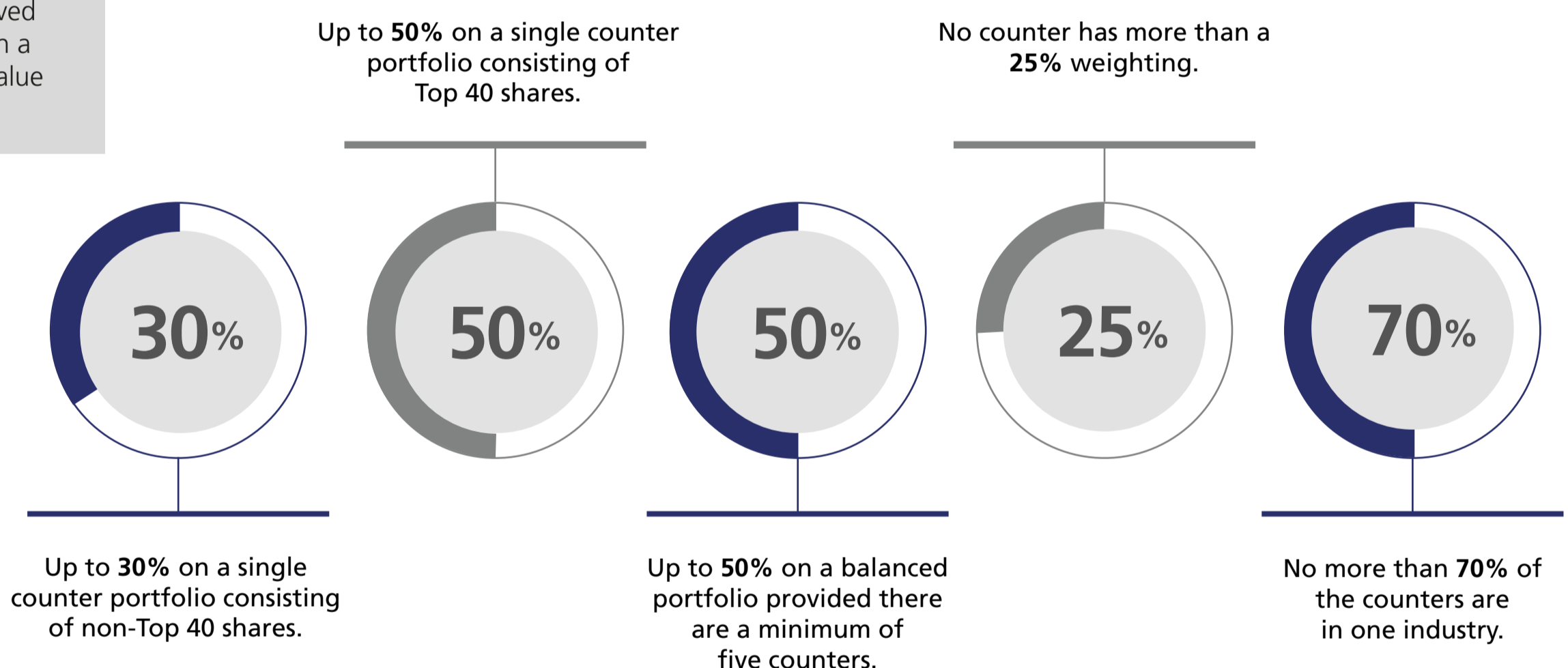
## Should you have an investment discretionary portfolio with RMB Private Bank Securities, you may trade whilst still availing an SBL facility.

- No cancellation costs
- Facility disbursement in 1 - 2 business days from signing of legal documents (subject to documents signed correctly and the noting of cession. An early settlement fee maybe charged for a facility that is in the name of a legal entity)

## Collateral that can be used:

- ✓ Cash
- ✓ Exchange Traded Funds (ETFs)
- ✓ JSE Listed Shares
- ✓ Real Estate Investment Trusts (REITs)
- ✓ Unit Trusts
- ✓ Government Bonds
- ✓ Local Cash Investments
- ✓ Offshore Investments (subject to Jurisdiction and Investment Manager)
- ✓ Listed Preference Shares

**Loan to Value =** The approved lending deal will be based on a percentage off the market value of the acceptable collateral.



## Financing Options

- **Interest Roll-Up** – The draw down amount will be made available to you over the repayment period; the roll-up amount is reserved for accrued interest, fees and charges. Provided that you comply with the Terms and Conditions of the agreement, the outstanding balance (inclusive of capital, interest, fees and charges) will be payable at the end of the repayment period.
- **Interest Only** – The maximum facility sum will be made available to you over the repayment period and you are required to service interest, fees and charges monthly. Provided that you comply with the Terms and Conditions of the agreement, the outstanding balance (inclusive of capital, any outstanding interest, fees and charges) will be payable at the end of the repayment period.

## Considerations

A margin call is applicable if your portfolio drops below 85% of the initial market value (margin call is not applicable to cash used as security). You will be notified should your portfolio's value drop below this amount, thus enabling you to remedy the situation within 48 hours. This can be done by providing additional security, a cash deposit or decreasing the maximum facility sum. This is subject to possible pricing review and amendments to the agreement.

If you do not timeously fulfil your obligations, RMB Private Bank is entitled to restructure your portfolio or liquidate your portfolio held as collateral. In the worst case, if after selling all your assets held as collateral, there may still be an outstanding loan balance that you will be liable for, to settle with the bank.

## Your benefits include:

- ✓ Quick access to funds
- ✓ Inexpensive access to funds without liquidating your portfolio
- ✓ Continue to enjoy returns and capital growth on your portfolio
- ✓ Access to an alternative source of funding for property finance or to finance your lifestyle needs
- ✓ Flexible financing and structuring options

### Contact us:

Email [SBLleads@fnb.co.za](mailto:SBLleads@fnb.co.za) or call the Service Suite on 087 575 9404. Alternatively, contact your dedicated Private Banker.

**RMB Private Bank.** Solutionist Thinking.