

Do you need a business loan, or would like to start a project right now?

You have a bank willing to extend a loan to you?

They like to work with you, but to meet regulatory requirements they request financial collateral to back up your loan for a certain period of time. This could be until your business or project has generated sufficient cash or equity, or possibly until your project takes off the ground and represents collateral value by itself (at that time). Value generated in your transaction has to put you into a position to replace the financial collateral that you borrow.

If you are in such a situation, then this concept can be your solution.

- You need a business loan, or would like to start a project
- Your bank would like to work with you.
- You need qualified financial collateral to back up your loan
- Your transaction generates value to return the securities on time

This is how we can help clients with an established business

A client has an established business and wants to start a project and requires a loan for his business. He talks to his bank. Since the bank worked with the client and knows the client, they like to work with him. But to extend a loan, they ask for collateral which the client may not have.

An Provider lends highly rated and publicly listed securities to the client.

The client seeks and finds a Provider who is willing to lend him collateral on the basis of a Securities Borrowing and Lending Agreement. Through such a contractual agreement, the Provider (securities lender) wants to make sure that he is paid a lending fee and that the bank will return the collateral on time.

The client's bank will have to consent to the transaction.

The client asks his bank to consent to the Collateral Lending and Borrowing transaction and the conditional payment of the borrowing and lending charges.

If the client's bank agrees, highly rated publicly listed securities will be selected and allocated and will build that basis of the Securities Borrowing and Lending Agreement which will be advised to the client's bank in the form of a Bank Guarantee or Standby Letter of Credit sent via SWIFT MT760.

Selective Securities will be reserved for a client's transaction.

Clearly identified top rated, publicly traded and listed prime bank securities are ordered by an investor or an investor group on the secondary market and are placed into their securities account and paid for simultaneously as these securities are advised to your receiving bank (in the format of a Bank Guarantee of Standby Letter of Credit, cash backed by these securities) and your receiving bank pays for the agreed lending/borrowing fee only after receipt and verification.

The instruments backing up your transaction are purchased particularly for a client and a specific transaction. This is why the client (the borrower) will have to commit to the transaction and place a commitment fee. No investor would want to buy securities for you and to your benefit, without a firm and valid financial commitment to the transaction.

The Client places a Commitment Fee and the Collateral Provider places the Call Option Fee to secure these Securities for the client's transaction.

The Collateral Provider or Facilitator places a Call Option to buy these securities after the client (the borrower) has committed to the transaction and paid his small share of a Commitment Fee after the investor provides his Pro-Forma Invoice with full details of the securities that will back up the client's transaction for the receiving bank to verify.

Conditional Payment of the Borrowing and Lending Fee issued or endorsed by the client's bank.

After the commitment fee has been placed, the client has 20 days to have his bank send the agreed conditional payment as to the instructions given in the Securities Borrowing and Lending Agreement to the Provider or Facilitator.

Upon receipt, the Provider sends a fully cash backed Bank Guarantee or Standby Letter of Credit which is issued on the back of the agreed securities.

The client's bank pays for the Borrowing and Lending Fees after the SWIFT MT760 has been transmitted, received and verified.

The receiving bank pays the lending fee only after receipt of the BG or SBLC and only after verification of the SWIFT MT760.

The client now has the required collateral in his bank, and can draw cash to start his project.

The Clients Bank returns the collateral fifteen days prior Maturity.

15 days prior of the maturity date of the BG or SBLC, the client asks for an extension for another year, or has his bank return the Securities backed Bank Guarantee or Standby Letter of Credit.