

Securities Based Lending

A Leader Bank Power Line™ allows clients to finance virtually any personal or business need while both maintaining their long-term investment strategy and minimizing potential tax liabilities from selling securities.¹



Real Estate



Tax payments



Business Expenses



Personal Property



Debt Consolidation



Education



Renovations



Emergencies

Leader Bank Power Line™ Product Features

Credit Line Amounts: From \$25,000 to \$10,000,000 with draws as low as \$1,000

Interest Rates: Variable rate; 1-Month Term SOFR plus a spread (determined by credit line amount)

Uses: Virtually any purpose other than purchasing securities or paying off a margin loan

Facility Types: Revolving credit line with no set amortization or maturity date

Draws: Next-day access to funds by ACH or wire upon activation

Payments: Principal may be pre-paid any time without penalty; monthly interest may also be paid directly or capitalized into the credit line²

Timeline: Loan decisions generally within 2 business days, typically same-day

Experience: Digital access provides clear insight into credit line status; draws and payments managed easily online or through the Leader Bank Client Solutions Team

Fees: No fees or hidden expenses, only interest on drawn balances



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Program Benefits

- **Expand product suite** to provide balanced wealth management solutions
- **Strengthen client relationships** through asset retention and acquisition
- **Service clients** with a simplified, digital advisor portal
- **Receive exceptional support** from Leader Bank's experienced Client Solutions Team

Considerations

The Leader Bank Power Line™ is currently available to financial advisors using Fidelity Institutional for clearing and custody services. Securities-based lines of credit carry certain risks that should be carefully considered to ensure this product is right for your clients:

- A reduction in the market value of pledged collateral may trigger a maintenance call, which could require the pledge of additional eligible collateral, the repayment of borrowed funds, or the potential sale of pledged securities requested at the Bank's discretion. Such sales may carry adverse tax or other consequences.
- Leader Bank may modify the collateral requirements at any time without prior notice.
- The Leader Bank Power Line™ is an uncommitted demand facility, which means the Bank may require full or partial repayment at any time or elect not to advance funds.



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Power Line™

¹ Power Line™ proceeds may not be used to purchase securities or to repay a margin loan that was used to purchase securities. Leader Bank, N.A. cannot provide tax advice concerning the legal, investment or tax consequences of a given transaction. Please consult with your financial or tax advisor about your particular circumstances before making any investment or financial decisions. To ensure compliance with requirements under Treasury Department Circular 230, we inform you that the contents of this publication are not intended or written to be used, and may not be used, for the purpose of (i) avoiding U.S. federal tax penalties or (ii) promoting, marketing, or recommending to another party any matter addressed herein. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax adviser.

² Capitalizing interest means that any billed interest not paid by the due date will be automatically paid by drawing on the Power Line™, adding to the outstanding principal balance.

Banking products and services are offered through Leader Bank, Member FDIC.

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