

Securities-Based Borrowing

Access the Liquidity You Need Without Disrupting Your Long-Term Investment Strategy



Securities-based borrowing lets you use eligible securities as collateral, so you can get money you need today without disrupting your investment portfolio. You can choose from different lines of credit to access funds for practically any purpose. As long as your account has sufficient eligible securities to use as collateral, this type of credit line may be easier to obtain and potentially more cost-effective than other alternatives.

The risks of securities-based borrowing include:

- Market fluctuations that may cause the value of pledged assets to decline
- A decline in the value of your securities that could result in selling your securities to maintain equity
- Adverse tax consequences as a result of selling securities¹

Borrowing for a Range of Needs

Securities-based borrowing adds flexibility to your personal and business finances without disrupting your long-term investment strategy. How you use these credit solutions is as unique as you.

Some of the most common uses include:

- Unexpected expenses
- Home renovations
- Real estate purchase²
- Tax bills
- Debt consolidation
- Business opportunity

Call your financial professional to determine if a securities-based borrowing strategy may be right for you.

You Have Access to the Following Alternatives:

	Margin Account	Enhanced Non-Purpose Loan	Secured PrimeLine® Line of Credit	Custom Loans
Product description	A convenient financing source to pursue investment opportunities or to meet other personal financing goals offered through First Clearing.	A line of credit backed by eligible securities offered through First Clearing.	A line of credit backed by your eligible securities offered through Wells Fargo Bank.	Customized loans or lines of credit with flexible advance rates and terms offered through Wells Fargo Bank.
Borrowing need ³	Any amount	Any amount; generally for \$100,000 to \$1 million	\$250,000 minimum; generally for \$500,000 to \$5 million	\$1 million minimum; generally for \$5 million and up
Fund access	Check, check card, and wire transfer ⁴	Check, online, ACH, and wire transfer	Check, online transfer, and wire transfer	Wire transfer
Uses	Anything including to purchase securities	Anything except to purchase securities or pay down margin	Anything except to purchase securities or pay down margin	Anything except to purchase securities or pay down margin
Typical loan-to-value	50% - 90% based on asset class	60% - 90% based on asset class	50% - 95% based on asset class and underwriting option	50% - 95% based on asset class
Term	No set expiration	No set expiration	60 months	Varies
Interest rate index	Varies	Varies	Wells Fargo Bank's Prime rate or LIBOR	Wells Fargo Bank's Prime rate or LIBOR
Payment required	No minimum monthly interest payment required	No minimum monthly interest payment required	Monthly interest only	Monthly interest only
Underwriting requirement	Collateral review	Collateral review	Collateral and borrower review	Collateral and borrower review

1. Wells Fargo & Company and its affiliates are not tax or legal advisors.

2. Financing real estate with a securities-based line of credit carries risk and may not be appropriate for your needs. A complete assessment of your circumstances is needed to help you determine which type of loan provides the best fit. All loans are subject to credit approval. Wells Fargo & Company and its affiliates do not provide tax or legal advice. Please consult your tax or legal advisors to determine how any credit may apply to your own situation. Whether any planned tax result is realized by you depends on the specific facts of your own situation at the time your taxes are prepared.

3. Subject to minimum equity requirements.

4. Command checks and debit cards are only available through the Command Asset Program.

Margin borrowing may not be suitable for all investors. When you use margin, you are subject to a high degree of risk. Market conditions can magnify any potential for loss. The value of the securities you hold in your account, which will fluctuate, must be maintained above a minimum value in order for the loan to remain in good standing. If it is not, you will be required to deposit additional securities and/or cash in the account or securities in the account may be sold. Please carefully review the margin agreement, which explains the terms and conditions of the margin account, including how the interest on the loan is calculated.



Secured PrimeLine, Secured Term Loan, and Custom Line of Credit lines of credit are offered by Wells Fargo Bank, N.A. (member FDIC), a banking affiliate of Wells Fargo & Company.

Securities-based lending has special risks and is not suitable for everyone. If the market value of your pledged securities declines below required levels, you may be required to pay down your loan or line of credit or pledge additional eligible securities in order to maintain it, or the lender may require the sale of some or all of your pledged securities.

The sale of your pledged securities may cause you to suffer adverse tax consequences. You should discuss the tax implications of pledging securities as collateral with your tax advisor. Wells Fargo & Company and its affiliates are not tax or legal advisors. All securities and accounts are subject to eligibility requirements. Please read all lines of credit documents carefully. The proceeds from some asset-backed line of credit may not be used to purchase additional securities or pay down margin. Securities held in a retirement account cannot be used as collateral to obtain a loan. Securities purchased in the pledge account must meet collateral eligibility requirements. Other account fees, fund expenses, brokerage commissions, and service fees may apply.

Investment and Insurance Products: ► NOT FDIC Insured ► NO Bank Guarantee ► MAY Lose Value

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