



Personal Credit Line

securities-backed lines of credit

What role does Osaic play in my line of credit?

Osaic is the wealth management firm that offers financial solutions such as Personal Credit Line to its advisors and clients.

What role does Supernova play in my line of credit?

Supernova is our servicing and technology partner for the product. They provide the client portal interface that you use, and they also provide the servicing team that is available to you for any technical questions or assistance.

What is a securities-backed line of credit?

A securities-backed line of credit (SBLOC) allows you to use qualifying investment asset from a nonretirement portfolio as collateral for a variable line of credit. Personal Credit Line is the name of Osaic's SBLOC product.¹ Proceeds from the line of credit can be used for a number of short- or long-term financing needs, such as real estate acquisitions or home renovations, debt refinancing, tax payments, short-term cash needs or bridge loans, and general liquidity for personal or business expenses. Proceeds cannot be used to purchase securities or repay debt that was created by the purchase of securities. For example, the SBLOC cannot be used to pay down or pay off a margin loan.

What are the advantages of a securities-backed line of credit?

An SBLOC offers access to liquidity and competitive pricing when compared to other lending options. You can utilize one or multiple investment accounts as collateral and there are no fees associated with opening the line.

What types of accounts can be pledged as collateral?

Nonqualified, nonretirement investment accounts, including equity, fixed-income securities, cash and cash equivalents can serve as collateral.¹

When does the securities-backed line of credit mature?

Our SBLOC has no defined maturity date and may remain active for as long as the collateral balance continues to support the active line balance.²

What are the typical securities-backed line of credit advance rates?

You can typically borrow between 60% and 85% of a diversified investment account portfolio.

Will I receive a monthly statement?

Yes, anytime there has been a balance or activity on the SBLOC in the previous month, you will receive an electronic statement with recent activity, outstanding principal and interest balances, interest payment due date, etc.

How are monthly interest payments made?

Interest payments can be made via automated clearinghouse (ACH) or check. You have the option to make individual payments or create recurring payment rules using the online client portal. If an outstanding interest balance is not paid by the monthly due date, the outstanding interest will instead be added to the line principal balance. While this feature provides you with freedom to skip monthly payments, note that it could result in compounding interest.

How can a line principal be repaid?

A line principal can be repaid at any time via wire transfer, ACH or check. There are no prepayment penalties.

¹ Any check-writing or debit card privileges must be turned off for an account to be pledged as collateral.

² The lender reserves the right to demand the outstanding line balance at any time.

What if I am interested in a securities-backed line of credit but currently have a margin loan in place against the investment account?

All margin positions must be closed prior to the SBLOC origination. No margin capabilities are permitted for the SBLOC.

What is required to complete the securities-backed line of credit underwriting process?

A completed application and verification of the applicant's identification (i.e., state-issued ID or passport). Additional information may be requested for underwriting review.



If you still have questions or want more information, please talk to your **financial professional**.

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