

THE AdvisorEDGE



KEEPING YOU A STEP AHEAD WITH INTEGRATED BANKING SERVICES.

SBLOC IN ACTION

SBLOC: Don't let clients miss opportunities because they lack liquidity.

Establishing a Securities-Backed Line of Credit (SBLOC) now can help your clients be better prepared to take advantage of time-sensitive opportunities in the future.

THE SBLOC SOLUTION:

When opportunities arise and clients need liquidity, they may need to act right away. Talk to your clients about opening an SBLOC today. Once they establish their line of credit, your clients may be better prepared to immediately take advantage of future opportunities.

SPEED TO LIQUIDITY – Once the application process is complete and the client has an open SBLOC, their line of credit is available for immediate use. When they need it, your client will have convenient and fast access to liquidity through check or wire - no additional approval is necessary.

MULTIPLE PURPOSES – A client can use their immediate liquidity for a multitude of purposes, including real estate purchases, educational expenses, starting/investing in a business, tax payments, buying assets (e.g. art, collectables) - even charitable contributions. The only thing a client may not use their line of credit for is the purchase of additional securities.



NO COST TO OPEN – There is no cost to open an SBLOC – and it costs a client nothing until they use it. A client will only begin to owe interest on the amount borrowed when he or she begins using the line of credit.

MORE HOLISTIC ADVICE – You are providing valuable and practical information for your clients when you recommend that they open an SBLOC. Preparing a client to be able to move quickly and not miss opportunities may increase your value as an advisor by demonstrating another way that you can support a client's complete financial picture.



Want to share this important information with your clients?

Click this image to download a client-ready edition of The AdvisorEdge or contact your Business Development team.

SBLOC Fast Facts

- An interest-only revolving credit line backed by securities held in a client's investment portfolio.
- Provides access to funds while leaving you and your clients' investment strategies untouched.
- May help retain Assets Under Management (AUM).
- Competitive risk from banks can be reduced.
- Available to individuals, trusts and entities.
- Minimum line of credit of \$75,000, no minimum draw required.
- Conservative lending standards.

Contact your appointed Business Development team to learn more about how an SBLOC can benefit both you and your client. Or, contact us at:

P: 877.743.4321
Email: SBLOCinquiry@thebancorp.com
www.seicaainfo.com

Securities-backed lending has special risks and may not be suitable for everyone. If the market value of the pledged securities declines below required levels, the client may be required to pay down the 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 the client's pledged securities. The sale of the client's pledged securities may cause the client to suffer adverse tax consequences. We do not offer tax or legal advice. Please advise the client to consult with a tax adviser.

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 New answers.®