

Custom Credit Services

Offered through Wells Fargo Bank, N.A.

Liquid Assets

Customized lines of credit and term loans secured by a variety of liquid assets including deposit accounts, brokerage accounts, and investment accounts. Provides flexibility to control the timing of asset sales; preserving liquidity, cash flow, and deferring or avoiding capital gains or losses.

Key questions to consider

- Do you require access to capital to fund a purchase or implement a plan?
- Are you concerned about capital gains or losses from a sale of assets?
- Are there other reasons you hesitate to liquidate?
- Have you considered a borrowing solution instead of liquidating assets?

Semi-liquid and Illiquid Assets

Line of credit or term loan secured by semi-liquid or illiquid assets such as: privately held stock, restricted stock, Rule 144 stock, concentrated positions in public stock, and operating units (OPUs). Flexible source of capital to control the timing of asset sales, preserve liquidity, preserve cash flow, and defer or avoid capital gains or losses.

Key questions to consider

- Do you require access to capital?
- Are you holding restricted assets or other assets unavailable for sale?
- Do you hold assets where a sale would trigger tax consequences?
- Have you considered a borrowing strategy to unlock capital?

Alternative Assets

Line of credit or term loan secured by alternative assets such as limited partnership interests in private equity or hedge funds. Source of capital to fund capital calls, new alternative asset investments, diversification, etc. Provides flexibility to control the timing of asset sales, preserve liquidity, preserve cash flow, and defer or avoid capital gains or losses.

Key questions to consider

- Are you a founder or senior executive with a limited partner interest in your firm's funds?
- Are you an individual investor or family office with limited partner interests in private equity or hedge funds?
- Do you have firm employees seeking capital to partially finance their capital commitment to a fund?

Life Insurance

Line of credit secured by cash surrender value life insurance. Source of capital to facilitate the purchase of life insurance. Provides flexibility to pay life insurance premiums while preserving liquidity and cash flow.

Key questions to consider

- Are you considering a life insurance strategy as part of your estate, succession, or tax planning?
- Are you concerned about the cost and source of premium payments?
- Is the cost of life insurance a potential drain on liquidity or cash flow?
- Have you considered borrowing to pay the premiums?

Employee Stock Ownership Plan (ESOP) Monetization

Line of credit or term loan secured by Qualified Replacement Property related to the sale of a business to an ESOP trust and decision to use a 1042 exchange to defer capital gains taxes.

Key questions to consider

- Are you a business owner considering the full or partial sale of your business?
- Is the sale of your business to your employees through an ESOP an option you are considering?
- Are you considering a 1042 exchange to defer taxes on the capital gain?
- Have you considered a borrowing strategy to monetize that deferral?

Fine Art

Line of credit secured by museum quality fine art, sculptures, or works on paper. Flexible source of capital to control the timing of asset sales, preserve liquidity, preserve cash flow, and defer or avoid capital gains or losses.

Key questions to consider

- Do you own museum quality paintings, sculptures or works on paper?
- Do you require access to capital, but hesitate to sell your fine art?
- Have you considered a borrowing strategy secured by your fine art?

Aircraft

Term loan secured by aircraft with a value of at least \$5,000,000. Source of capital to fund the purchase or refinance of aircraft.

Key questions to consider

- Are you considering an aircraft purchase?
- Do you have an existing aircraft loan that requires refinance?

Commercial Real Estate

Line of credit or term loan secured by commercial real estate. Source of capital to fund the purchase or refinance of commercial real estate including multi-family, retail, industrial, and office properties.

Key questions to consider

- Do you currently have a portfolio of commercial real estate and considering the purchase or refinance of a property?
- Are you diversifying into commercial real estate and considering the purchase of your first property?
- Are you considering a 1031 exchange?
- Do you have equity in unencumbered commercial real estate and need access to capital for other purposes (tenant improvements, diversification, acquisition, etc.)?

Let's connect

Contact me to learn more about using credit strategically to help meet your current needs and wealth plan goals.

Alternative investments, such as hedge funds, funds of hedge funds, managed futures, private capital, real assets, and real estate funds, are not suitable for all investors. They are speculative, highly illiquid, and are designed for long-term investment, and not as trading vehicle. These funds carry specific investor qualifications which can include high income and net-worth requirements as well as relatively high investment minimums. The high expenses associated with alternative investments must be offset by trading profits and other income which may not be realized. Unlike mutual funds, alternative investments are not subject to some of the regulations designed to protect investors and are not required to provide the same level of disclosure as would be received from a mutual fund. They trade in diverse complex strategies that are affected in different ways and at different times by changing market conditions. Strategies may, at times, be out of market favor for considerable periods with adverse consequences for the fund and the investor. An investment in these funds involve the risks inherent in an investment in securities and can include losses associated with speculative investment practices, including hedging and leveraging through derivatives, such as futures, options, swaps, short selling, investments in non-U.S. securities, "junk" bonds and illiquid investments. The use of leverage in a portfolio varies by strategy. Leverage can significantly increase return potential but create greater risk of loss. At times, a fund may be unable to sell certain of its illiquid investments without a substantial drop in price, if at all. Other risks can include those associated with potential lack of diversification, restrictions on transferring interests, no available secondary market, complex tax structures, delays in tax reporting, valuation of securities and pricing. An investment in a fund of funds carries additional risks including asset-based fees and expenses at the fund level and indirect fees, expenses and asset-based compensation of investment funds in which these funds invest. An investor should review the private placement memorandum, subscription agreement and other related offering materials for complete information regarding terms, including all applicable fees, as well as the specific risks associated with a fund before investing.

Deposit products provided by Wells Fargo Bank, N.A., Member FDIC. Deposit insurance only protects against the failure of an insured depository institution and is subject to FDIC rules, including pass-through coverage which requires certain conditions to be satisfied.

Securities-based lending has special risks and is not appropriate for everyone. If the market value of a client's pledged securities declines below required levels, the client may be required to pay down the 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 securities. Wells Fargo Advisors, on behalf of Wells Fargo Bank, N.A., will attempt to notify clients of maintenance calls but is not required to do so. Clients are not entitled to choose which securities in their accounts are sold. The sale of their securities may cause clients to suffer adverse tax consequences. Clients should discuss the tax implications of pledging securities as collateral with their tax advisors. An increase in interest rates will affect the overall cost of borrowing. All securities and accounts are subject to eligibility requirements. Clients should read all Wells Fargo Bank Priority Credit Line documents carefully. The proceeds from the Wells Fargo Bank Priority Credit Line may not be used to purchase or carry margin stock or pay down a margin account debit. Margin stock is defined in Regulation U and includes, principally: (1) stocks that are registered on a national securities exchange or any over-the-counter security designated for trading in the National Market System; (2) debt securities (bonds) that are convertible into a margin stock; and (3) shares of most mutual funds. Securities held in a retirement account cannot be used as collateral to obtain a securities-based loan. Securities in a Wells Fargo Bank Priority Credit Line collateral account must meet collateral eligibility requirements.

Some fees may apply and can include but are not limited to an application, processing, or loan fees.

Wells Fargo Equipment Finance, Inc. offers aircraft and equipment financing through Wells Fargo Bank, N.A.

Insurance products are offered through nonbank insurance agency affiliates of Wells Fargo & Company and are underwritten by unaffiliated insurance companies.

Wells Fargo and Company and its Affiliates do not provide tax or legal advice. This communication cannot be relied upon to avoid tax penalties. Please consult your tax and legal advisors to determine how this information 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 tax return is filed.

Wells Fargo Bank, N.A. ("the Bank") offers various banking, advisory, fiduciary, and custody products and services, including discretionary portfolio management. Wells Fargo affiliates, including financial advisors of Wells Fargo Advisors, may be paid an ongoing or one-time referral fee in relation to clients referred to the Bank. In these instances, the Bank is responsible for the day-to-day management of any referred accounts.

Wells Fargo Wealth & Investment Management (WIM) provides financial products and services through various bank and brokerage affiliates of Wells Fargo & Company. Bank products and services are offered through Wells Fargo Bank, N.A.