

# Lombard solutions

## Release of liquidity by pledging securities

**A UBS collateral loan offers you an attractive and flexible means of acquiring liquidity tailored to your needs. By using your assets as collateral competitive financing is possible.**

### Product description

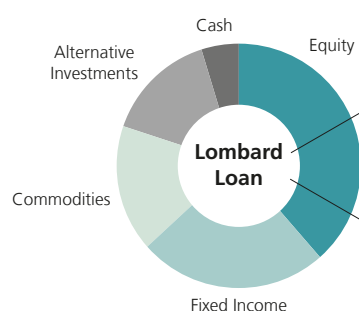
The UBS collateral loan is a security-based loan extended against readily marketable securities or assets that are deposited and pledged.

A UBS collateral loan allows you to cover additional liquidity requirements and manage your assets, with your securities serving as collateral. Since the loan is collateralized by the investments in your portfolio, the interest costs are moderate compared.

### Collateral

The maximum limit of the loan depends on the value of the securities in your investment portfolio that are eligible as collateral for Lombard loans. Most liquid assets can be used as collateral.

### Client Portfolio as collateral



### Financing Purposes

- Liquidity**
  - Short- to medium-term liquidity needs
  - Boat, car, real estate purchase
  - Liquidity for client's own company
- Yield Enhancement**
  - Additional financing source for a leveraged investment in combination with client's available cash

For illustrative purposes only

A diversified equity portfolio generally has a lending limit up to a maximum of 70 percent of its market value depending on volatility. In the case of a bond portfolio, the lending limit is a maximum of 95 percent depending on its rating and maturity. Liquidity has a 95 percent and precious metals a 70 percent lending limit. The lending limit for non-traditional investments is determined on a case-by-case basis.

Please note that the lending limits cited above merely serve as a guideline and that the values applicable in your individual case may vary. Moreover, we reserve the right to adjust the lending values at any time.

### Target group

A UBS collateral loan is ideal for private investors or private investment companies wishing to cover short- to medium-term credit requirements.

### Financing options

#### UBS collateral loan on a current account basis

<b>Characteristics</b>	Flexible credit limit up to the maximum lending limit of the assets. Loan interest is only charged on the loan effectively used.
<b>Minimum amount/ maturity</b>	None
<b>Interest rate</b>	Variable

#### UBS collateral loan as a fixed advance

<b>Characteristics</b>	Loan of a fixed amount for a specific period. The interest rate depends on the interest rate situation for the desired currency as well as the maturity.
<b>Minimum amount/ maturity</b>	≥ CHF 100,000: 3–36 months ≥ CHF 500,000: 1–36 months Other maturities available on request
<b>Interest rate</b>	Fixed

#### UBS Lombard Rollover Loan

<b>Characteristics/ currency</b>	The UBS Lombard Rollover Loan is a LIBOR based standard product in CHF, USD, GBP, JPY that meets the medium-term borrowing requirements of private investors or private investment companies.
<b>Minimum amount/ maturity</b>	UBS Lombard Rollover Loan (credit volume/fixed interest rate period) ≥ CHF 100,000: 1 and 3 months (or equivalent in foreign currency)
<b>Interest rate</b>	Fixed

#### UBS bank guarantee

<b>Characteristics</b>	Third-party guarantee for a certain period
<b>Minimum amount/ maturity</b>	Depends on the type of guarantee
<b>Interest rate</b>	Fixed

### **Your benefits at a glance**

- Inexpensive procurement of additional funds without having to sell securities.
- Quick and simple access to funds.
- Loan customization with regard to type, amount, time frame and currency.
- Participation in returns and appreciation of the investment portfolio.

### **Your risks at a glance**

- The leverage effect results not only in higher chances of profits but also higher risks of loss.
- Unforeseeable market changes may cause a negative leverage effect.
- If the value of the securities falls below a certain limit, UBS may ask you to repay the loan or provide additional collateral.
- Insufficient funds to pay interest or repay the loan may lead to the sale of your securities at an inopportune point in time.
- Currency and interest rate fluctuations may have an impact on the return of your investment.

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