Restricted stock lending capabilities

This document is non-binding on any company and is intended as an outline only for discussion purposes, is not a loan commitment or commitment to lend by any company and does not purport to summarize all the conditions, covenants, representations, warranties, defaults and other provisions which would be contained in the definitive credit documentation.

2019

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Creating credit and liquidity solutions

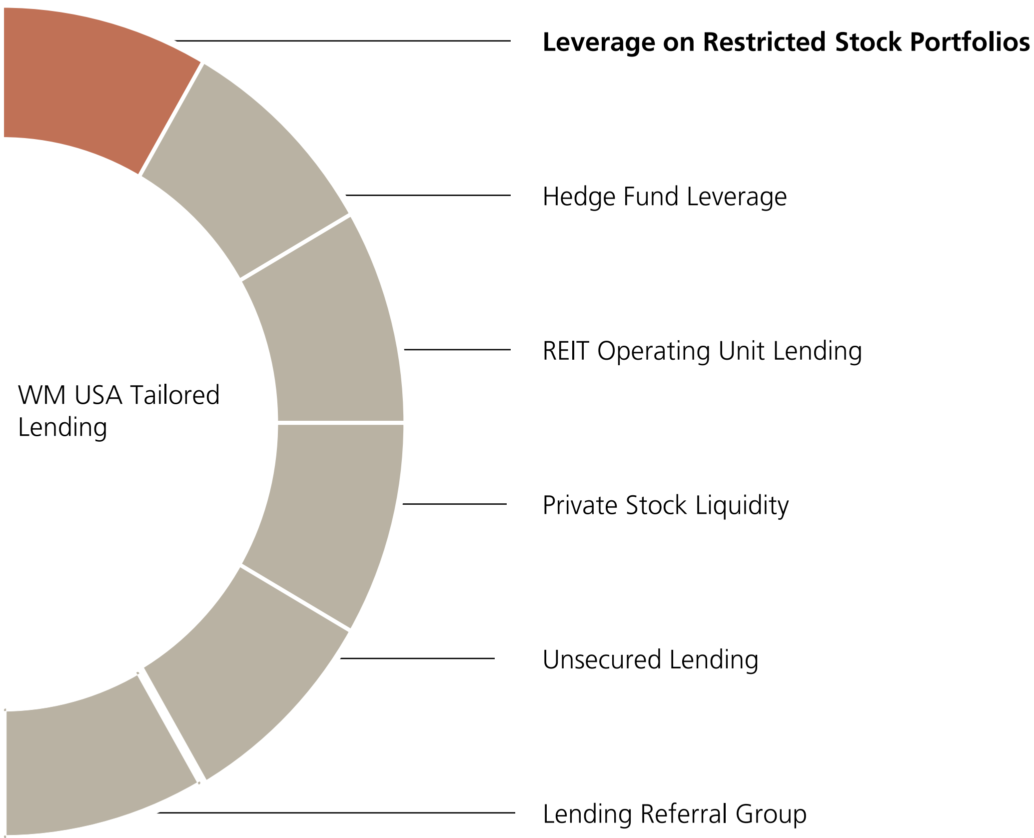
As you enjoy the wealth you've created, there are borrowing options designed to help you explore new and fresh opportunities while you continue to pursue your overall investment strategy. It's all part of the Seneca world-class lending platform.

Meeting all your lending needs

Through our wealth management lending platform and Tailored Lending team, we have the capability to create customized solutions that may help you address your liquidity needs as you pursue your overall investment strategy.

Tailored Lending

(Product offering)[1]



[1] Subject to change.

Restricted stock holdings

We offer an ability to leverage stock that is currently restricted in accordance with Rule 144 regulations, even when such stock represents the only form of pledged collateral. As long as your holdings are otherwise freely saleable we try to maximize your borrowing power through our restricted securities backed loan program.

Seneca Restricted Stock Loan Program

- Do you own shares that are subject to selling restrictions?
- Is continued ownership of these shares an important part of your wealth planning strategy?
- By pledging your restricted shares in support of a securities backed loan you may be able to access liquidity while preserving share ownership. This new-found liquidity can be used, among other things, to:
  – Fund living expenses such as education, health care
  – The purchase of luxury assets
  – Acquire real estate including personal residences as well as investment properties
  – Pursue a more diversified financial profile and lessen your exposure to concentrated share ownership
- Collateral Lending Value[1] up to 75%

[1] Loan amount as a % of collateral value, lending values are indicative and subject to change. In addition, the lending value may be reduced upon the concentration and strength of recourse.

Disclosures

Credit Lines are securities backed loans provided by lenders. Credit Lines are full recourse demand loans, are subject to credit approval and are "margin loans" subject to collateral maintenance requirements (i.e., margin requirements). The lender can (i) demand repayment and/or (ii) change collateral maintenance requirements (i.e., margin requirements) at any time without notice. If the required collateral value is not maintained, the lender can require you to post additional collateral (commonly referred to as a "margin call"), repay part or all of your loan and/or sell your securities. Failure to promptly meet a margin call or repayment or other circumstances (e.g., a rapidly declining market) could cause the lender to liquidate some or all of the collateral supporting the Credit Lines to repay all or a portion of the outstanding Credit Line or margin obligations. Any required liquidations may result in adverse tax consequences. You are personally responsible for repaying the Credit Line in full, regardless of the value of the collateral. **Securities backed financing involves special risks, is not suitable for everyone and may not be appropriate for your needs.** For a full discussion of the risks associated with borrowing using securities as collateral, you should review the Loan Disclosure Statement that will be included in your application package.

Credit Lines are "non-purpose" loans and may not be used directly or indirectly to purchase, trade or carry securities or to repay debt (a) used to purchase, trade or carry securities or (b) to any affiliate of lender Bank USA. Additional limitations and availability may vary by state. Prepayments of lender Fixed Credit Lines will be subject to an administrative fee and may result in a prepayment fee.
lender and its Financial Advisors have a financial incentive to recommend the use of securities backed loans (SBLs), rather than the sale of securities to meet cash needs. Our Financial Advisors receive compensation based on the outstanding balance on an SBL and the applicable interest rate spread for the SBL. In addition, lender receives servicing fees from certain lending affiliates based on the amount of outstanding loan balances to compensate us for referring clients and for administrative and operational support relating to the loans. The interest you pay for the loan is separate from and in addition to other fees you may pay related to the investments used to secure the loan, such as ongoing investment advisory fees (wrap fees) and fees for investments such as mutual funds and ETFs, for which lender and/or our affiliates receive administrative or management fees or other compensation. **As such, we benefit if you draw down on your loan to meet liquidity needs rather than sell securities or other investments, which would reduce our compensation.** When assets are liquidated pursuant to a house call or demand for repayment, lender and your Financial Advisor also will benefit if assets that do not have ongoing fees (such as securities in brokerage accounts) are liquidated prior to or instead of assets that provide additional fees or revenues to us (such as assets in an investment advisory account). Further, different types of securities have higher release rates than others, which can create a financial incentive for your Financial Advisor to recommend products or manage the account in order to maximize the amount of the loan. Lender and its Financial Advisors and employees offer banking and lending products to clients through our affiliates and third-party banks in our capacity as a broker-dealer and not as an investment adviser.
As a firm providing wealth management services to clients, lender offers both investment advisory services and brokerage services, which are separate and distinct, differ in material ways and governed by different laws and separate contracts. For more information visit our website.

Lender their employees and affiliates do not provide legal or tax advice. You should contact your personal tax and/or legal advisors regarding their particular situations, including the legal and tax implications of borrowing using securities as collateral for a loan.

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