

At Stifel Nicolaus, we offer the best resources, diverse financial tools, and sharpest minds to further the interest of our clients. Your Stifel Nicolaus Financial Advisor provides avenues for investing with candor and integrity, watchful of your tolerance for risk and overall financial goals.

We often hear clients talk about increased flexibility in cash management. At the same time, we all have a desire to keep our investment strategies intact and moving forward. If you have a need for cash liquidity, the Stifel team has a solution.

Introducing the Stifel Pledged Asset Account, provided by Stifel Bank & Trust. This is a resource to access liquidity in your investments while maintaining your assets.

# STIFEL

## PLEGDED ASSET LOAN ACCOUNT

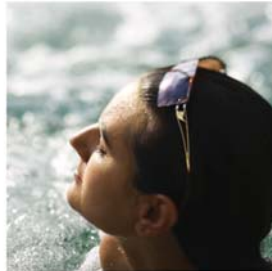
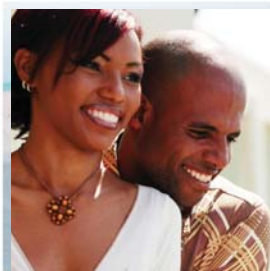
A row of six sailboats is beached on a pebbly shore at sunset. The boats are numbered 11, 13, 9, 10, 7, and 6 from left to right. The sun is low on the horizon, creating a warm, golden glow that reflects off the water and the boats. The sky is a clear, pale blue.

STIFEL  
BANK & TRUST

## BALANCING TODAY'S NEEDS WITH TOMORROW'S GOALS

The SPA Loan Account is a Pledged Securities Line of Credit, which keeps your assets in place while providing you access to the equity within those assets as cash. You select what securities or investment vehicles to include in the account. The amount of cash you can access is based on the value and types of marketable securities placed in the account.

Together with your Stifel Nicolaus Financial Advisor, Stifel Bank will perform a complete portfolio analysis and report on the cash access obtainable within your portfolio. Your account review can be based on anticipated cash flow needs, in which we determine the amount of pledged assets required to help meet your goals. Or, we can review the value of your qualified securities and determine the overall cash access you could obtain with a SPA Loan Account.



Most marketable securities qualify as premium collateral with access of up to 50% - 70% of the equity. For example, with a portfolio worth \$1,000,000 in regular stocks and bonds you can generally access \$650,000 as cash in a SPA Loan Account.

The investment vehicles in your SPA Loan Account represent the collateral for the loan. You have full access to conduct normal transactions with those investments. You will still have the freedom to buy, sell, trade, and receive dividends and all of the other typical benefits of your securities. As a SPA Account holder, you will be required to keep a specified level of assets in the account to maintain liquidity.

## USING YOUR LIQUIDITY

Whether you want to buy a boat to travel the world, or take advantage of a business opportunity in your own back yard, your SPA Loan Account can help make it happen.

The SPA Loan Account is designed with flexibility to help meet your needs. Cash can be accessed easily and quickly via Fed Funds Wires sent free of charge to any outside bank account. Whether you want everything at once for a major purchase or prefer to access funds incrementally, your SPA Loan Account is there to suit your individual requirements.



## INDIVIDUAL AND CORPORATE ACCOUNTS

A SPA Loan Account can be initiated for business or personal needs. In addition, the loan can be titled in the name of an individual, trust, or corporation. Typically, the pledged collateral account is titled in the same manner as your Stifel Nicolaus investment account.

With an individual or a trust, limited paperwork is required: A completed SPA Loan Application, and trust documents if applicable, is typically all we need. Money can be made available to individual account holders within a few days of the completed application. Opening a corporate SPA Loan Account request is generally more comprehensive, requiring more documentation and time. That being said, the Stifel team works diligently to accommodate the needs of each client.

## COLLATERAL REQUIREMENTS

If the value of your account falls below a specified amount, generally within 20-25% above the cash accessed, you will be required to balance the account by depositing cash or adding qualified collateral. If the collateral call is not met, Stifel Bank will work with you and your Financial Advisor to facilitate a solution. Stifel Bank has the right to sell your assets if needed to cover the loan.

## SPA LOAN ACCOUNT OVERVIEW

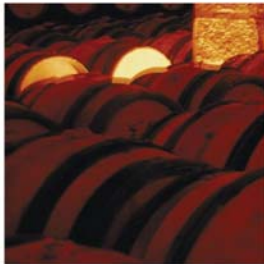
Loan Type	This is an open-ended demand note, meaning the loan stays in place as long as the collateral requirements are met.
Pledging Securities	The value of the securities pledged to your SPA Loan Account determines the amount of cash you can access. Most marketable securities garner an advance rate of 50-70%. Some financial products are not eligible for pledging, including qualified plans like Individual Retirement Accounts (IRAs), shares of Stifel Financial Corp. (SF) stock, most options, and some high-risk stocks.
Use of Funds	A SPA Loan Account is specifically a non-purpose account, meaning the funds cannot be used to purchase, carry, or trade securities or pay margin debt. Money can be used to invest in a business, assist with debt management, make major purchases, or other ways that meet your needs.
Starting Out	The SPA team will work with you to get your SPA Loan Account started. Funds from personal accounts can be made available in as little as 72 hours after a complete application is received. SPA Loan Accounts titled to a business typically take a bit longer.
Interest Rate	Your SPA Loan Account rate is determined by the value of the collateral pledged; the more collateral you pledge, the lower your interest rate, regardless of the amount drawn. Rates are variable, based on LIBOR. Please review the rate schedule in your SPA Loan Application packet.
Accessing Funds	The minimum initial draw is \$60,000, but after that you can draw funds of \$2,500 or more at any time, as long as the collateral value permits. Money is transferred on demand via Fed Funds Wire from your SPA Loan Account to any Bank account in the U.S.
No Fees	There are no costs for opening a SPA Loan Account, and no fees for accessing your funds.
Payments	Loan payments are interest only and due monthly. Interest can be rolled into the loan, as long as the collateral value permits.

## UNDERSTANDING THE POTENTIAL RISKS OF A SPA LOAN ACCOUNT

Speak with your Stifel Nicolaus Financial Advisor about your risk tolerance level and specifically the potential risks associated with a SPA Account.

The SPA Account is a demand loan using the assets in the account as collateral. If the value of the collateral is not maintained, the account holder will be required to (1) post additional qualified collateral, (2) repay a portion or all of the debt, or (3) forfeit that shortfall in value of pledged assets to Stifel Bank & Trust. If the call is not met, Stifel Bank & Trust can liquidate some or all of the assets in the SPA Account. If terms of the account are not maintained, Stifel Bank & Trust may call the loan due and payable.

Stifel Bank & Trust will attempt to communicate with you to determine the right course of action to alleviate a collateral shortfall. Stifel Bank & Trust has the right to sell securities as needed without your consent to perfect the lien.



Stifel Bank & Trust is an Equal Opportunity Lender. All SPA Accounts are subject to credit approval.

In accordance with CFR Regulation U, proceeds from a SPA Account cannot be used to purchase, carry, or trade securities, or repay margin debt. As a "non-purpose" loan, the account holder is required to state the intended use of the funds at application.

With this and any financial product, consult your tax advisor for details.

## OPENING YOUR SPA ACCOUNT

If you would like more information on how a Stifel Pledged Asset Account can help you pursue your long-term goals, please contact your Stifel Nicolaus Financial Advisor.

*Stifel Bank & Trust, Member FDIC, Equal Housing Lender, NMLS# 375103, is affiliated with Stifel, Nicolaus & Company, Incorporated, Member SIPC & NYSE. Products offered by Stifel, Nicolaus & Company, Incorporated may not be FDIC Insured. Your Stifel Financial Advisor will refer you to a Stifel Bank & Trust Professional who can assist you with your financing needs.*

