



INSTITUTIONAL BANKING

SBLOC INTEREST RATE INFORMATION

Determination of the variable and fixed interest rate tiers for a Securities-Backed Line of Credit (SBLOC) account is based on the maximum drawing power of the loan as indicated in The Bancorp's Commitment Letter (Commitment Amount), the sum of The Wall Street Journal Prime Rate (WSJP), and the applicable margin.

Borrowers have the ability to revolve the credit line, giving them the flexibility to repay the line without early prepayment penalties. There is no minimum draw amount and there is no time limit to make an initial draw on the line. In addition, clients with a variable rate can convert to a 36-month fixed rate any time during the life of the loan at no cost.

Commitment Amount (Maximum Drawing Power)	Variable Rate ¹⁻⁴ Calculation	36-Month Fixed Rate ^{5,6} Calculation	Floor	Advance Rates ⁷	
\$99,999.99 and under	WSJP - 0.25%	WSJP + 1.25%	None	Equities	50%
\$100k - 249,999.99	WSJP - 0.25%	WSJP + 1.00%	None	Mutual Funds & ETFs	50%
\$250k - 499,999.99	WSJP - 0.50%	WSJP + 0.75%	None	Muni and Corp bonds	80%
\$500k - 999,999.99	WSJP - 0.75%	WSJP + 0.50%	None	Investment Grade Funds & ETFs	80%
\$1MM+	N/A	WSJP + 0.50%*	None	Treasuries	90%
\$1MM - 1,999,999.99	WSJP - 0.875%	N/A	None	Cash ⁸	100%
\$2MM+	WSJP - 1.0%*	N/A	None		

*Negotiated pricing may be available based on providing The Bancorp Bank, N.A. ("Bank") with supporting documentation of competing offer.



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ELIGIBLE ASSETS

- Publicly traded
- Listed on a major U.S. exchange
- Priced daily
- Priced at more than \$5 per share
- Cannot make up more than 40% of collateral value (concentrated positions)
- Cannot be classified as restricted or control stock
- Cannot be held in a retirement account
- Cannot be the stock of The Bancorp Bank, N.A. or an affiliate

1. Changes to the Commitment Amount may result in a change to the interest rate tier. **2.** Collateral additions, subtractions, or market value changes may reassign the loan to a different interest rate tier. Interest rate review requests must be made in writing, using the Change in Terms Request Form that is available on our website. **3.** Existing variable rate borrowers may convert to the fixed rate option. **4.** Variable rate SBLOC borrower pays no fee when converting to a 36-month fixed rate loan. **5.** When the 36-month term ends, any remaining loan balance becomes subject to the variable interest rate unless the borrower wishes to retain the fixed-rate option. **6.** Fixed rate SBLOC borrower pays a \$500 fee when converting to a variable rate SBLOC prior to the end of the 36-month term OR when locking in a new fixed rate prior to the end of the 36-month term. Variable-rate SBLOC borrower pays no fee when converting to a fixed-rate SBLOC at the end of the 36-month loan term. **7.** These are maximum percentages. Securities in a pledged account, which may also include cash, must meet the Bank's collateral eligibility requirements including portfolio composition and concentration. All percentages are subject to change in the Bank's sole and absolute discretion, at any time. **8.** The Advance Rate for an all-cash portfolio is 95%.

The SBLOC is a non-purpose loan, the proceeds of which cannot be used for the purchase of securities or to refinance a loan used to purchase securities. Collateral-based borrowing may not be suitable for everyone. Financial professionals should ensure that clients understand any associated risks. Clients should consult a tax advisor for tax-related matters and an attorney for legal matters. The Bank does not provide investment, tax or legal advice. Rates accurate as of January 2023. Rates, terms and conditions of loan products are subject to change without notice.

Banking services provided by:
The Bancorp Bank, N.A. Member FDIC.
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