



OLDMUTUAL

INVESTMENT BACKED LOAN

Tailored for Individuals and Entities



Overview

An Old Mutual Investment Backed Loan **is tailored towards a clients' need for liquidity**. By securing a loan against Qualifying Assets, clients can gain quick and easy access to a bespoke loan, with a flexible term structure and lower interest costs than an unsecured loan.



Client Profile

- Clients – individuals and entities (companies, corporations or trusts).
- Clients who require liquidity without **amending their portfolio or investment composition**.
- Clients looking to **broaden their exposure to different markets, leverage business opportunities or fulfil financial goals**.
- Businesses that require **bridging finance** to cover immediate costs.
- Businesses that require **seed funding** to expand operations.
- Businesses looking to **generate working capital without liquidating assets**.



Key Product Benefits



Clients can **act quickly** on market and investment opportunities.



Tailored loan with **low interest rates**.



Continue to enjoy returns and capital growth on existing investment portfolios.



No capital gains tax and transactional cost implications.



No restrictions on portfolio management, over and above Private Clients' dispersion rules.

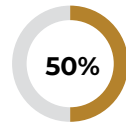


Bullet payment at the end of the loan term with the option to roll over the loan at maturity.

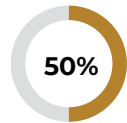


Structure of Loan

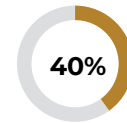
LOAN TO VALUE (LTV)



Private Clients Portfolios (Direct)



Old Mutual Wealth Linked Investment
Old Mutual Unit Trusts



Old Mutual Wealth Life Wrapped Investment
Old Mutual International Investment Portfolio +

LOAN TERM

12-month term, with the option to roll over your loan upon expiry (subject to credit approval).

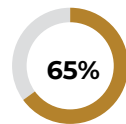
FEES AND CHARGES

	INDIVIDUALS	ENTITIES (Trusts, close corporations, private companies, etc)
Initiation Fee	R1 000	To be determined, subject to structuring requirements
Monthly Fee		R50

* All fees quoted include VAT

MARGIN CALLS

Should the Margin Call LTV be reached, the need for a Margin Call will be communicated to the client. A Margin Call Charge will be made against the ceded investment **after three business days of sending the Margin Call Notification**. The Margin Call Charge will reduce the value of the ceded investment and reduce the outstanding balance of the loan. **The client may elect to remediate the Margin Call within three business days of receiving the Margin Call Notification** by increasing the ceded investment value through a cash deposit or security transfer into the investment or by prepaying an amount to reduce the outstanding loan balance. The value associated with each option will be communicated in the Margin Call Notification. **Note that a Margin Call Charge will qualify as a policy withdrawal if the ceded investment is life wrapped.**



Margin Call limits

SECURITY CALL

Throughout the life of the loan, the minimum security quality required is compliance with **Private Clients' dispersion rules** associated with the ceded portfolio. For Old Mutual Wealth Life Wrapped, Linked Investment and Old Mutual International Investment Portfolio + the minimum security quality required is associated with the underlying funds held in the investment and is reviewed periodically at our discretion. Should it be determined that the portfolio or investment does not comply with Private Clients dispersion rules or the minimum security quality required, we will issue a **Security Call Notification**. **30 business days** will be afforded to improve the security quality of the ceded Investments with the assistance of the Portfolio Manager. If the Security Call is not remediated within 30 business days, we reserve the right to initiate enforcement and default procedures and reject future roll over requests.



Additional Product Rules

QUALIFYING INVESTMENTS

- Private Clients Full Discretionary Portfolios (Direct and Life Wrapped)
- Old Mutual Wealth Life Wrapped
- Old Mutual Wealth Linked Investment
- Old Mutual Unit Trust
- Old Mutual International Investment Portfolio +

Cash proceeds from the sale of security or dividends will also form part of the ceded investment.

CLIENT TYPES

Individuals and entities (trusts, close corporations and private companies).

RESTRICTIONS ON CEDED PORTFOLIOS

No restrictions on portfolio management over and above Private Clients' dispersion rules.

Switching between full discretionary models will be allowed.

Switching from full discretionary to any other mandate will not be allowed.

Withdrawals from ceded portfolios and investment contracts and linked trading accounts are subject to approval.

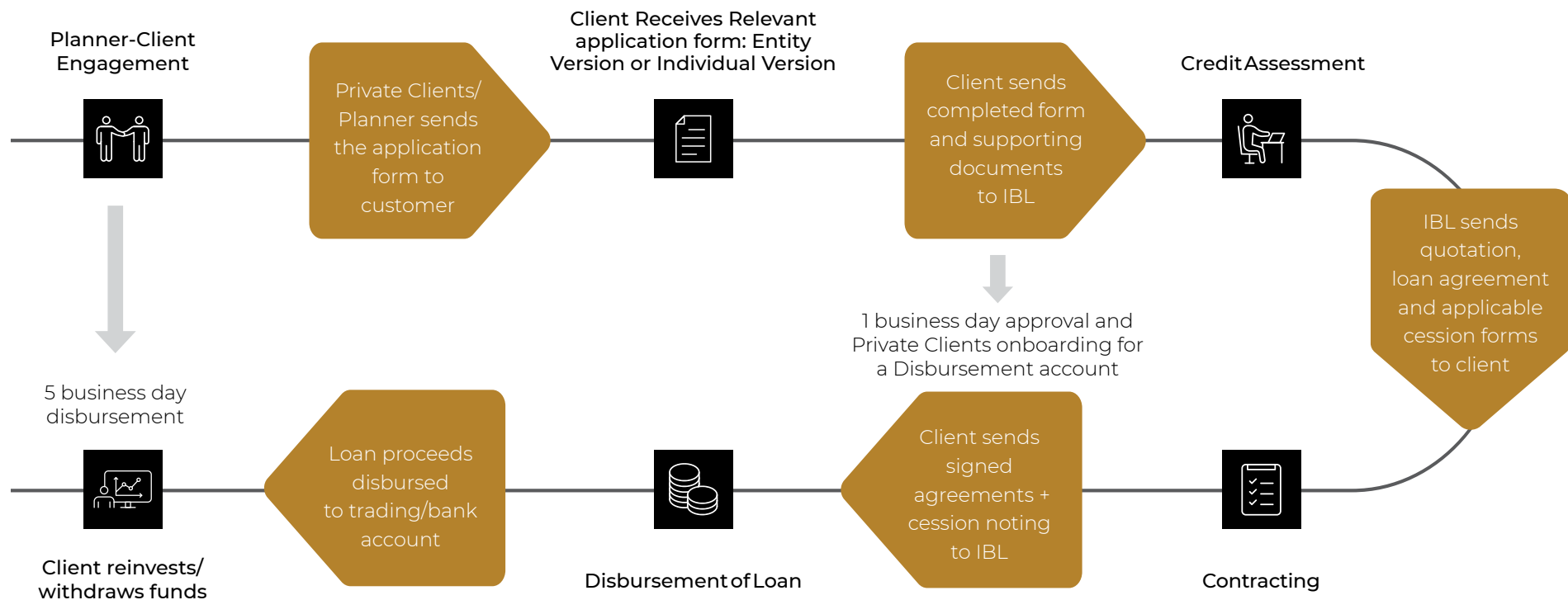
Private Equity Funds holdings do not qualify as security.

MAX AND MIN LOAN SIZES

	INDIVIDUALS	ENTITIES (Trusts, close corporations, private companies, etc)
Minimum Loan Value	R200 000	R400 000
Minimum Investment Value to be considered as security	R400 000	R1 000 000
Maximum Loan Value	R20 000 000	
Maximum Client Loan Limit	R50 000 000	



Client Application Journey



Applications received after 3pm will be processed the following business day.



FAQs

How can an Investment Backed Lending consultant be contacted?

Does the IBL team need to be consulted for incoming client transfers of cash and security into a ceded portfolio or investment?

Is prior approval required for trading and fund rebalancing within the ceded investment?

How can the current LTV be obtained by the PM or Planner to make an informed switching decision?

For loans secured by Private Clients portfolios, is switching among various models allowed?

For loans secured by qualifying investments other than Private Clients portfolios, can the underlying funds be switched?



OLDMUTUAL



Old Mutual Life Assurance Company (South Africa) Limited, registration number 1999/004643/06 is a licensed FSP, Life Insurer and Registered Credit Provider NCRCP15875.

Old Mutual Wealth Trust Company (Pty) Ltd, registration number 1925/002721/07 is a licensed FSP.

