



"One Step Ahead"










ON TARGET

A. B. Nicholas' LeverageLine

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Overview

You Shouldn't Be Without This Tool

-  **Background** - Why licensed facilities matter
-  **Why** - How/why LeverageLine will help you sell more businesses and franchises.
-  **Security** - How LeverageLine stacks up.
-  **Value** - Lower rates than SBA and most bank financing.
-  **Speed** - Faster and cheaper than SBA on average.
-  **Applying** - Simple, fast. No PFS or Credit Used.
-  **Conclusion** - A New Perspective on Client Financing.

[Read more on who we are here](#)



Background

Client-Friendly from the Ground Up

“NONRECOURSE” STOCK LOANS

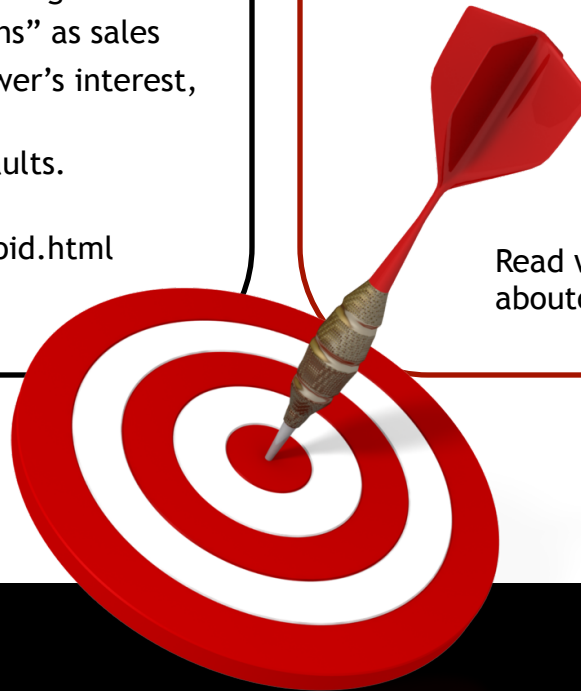
- Client was free to “walk away”
- Client’s rights to his stock extinguished
- Title transferred to private lender
- Lender sold shares to fund the loan
- Kept difference as profit.
- Unregulated space
- Lender does not have own resources
- Highly risky
- Most such firms collapsed during recession
- IRS now considers such “loans” as sales
- “Nonrecourse” not in borrower’s interest, only Lender’s
- Lenders hope borrower defaults.

Read www.abnicholas.com/avoid.html

LEVERAGELINE™

- Custom-built by/for ABN affiliates
- Institutionally managed
- No title transfer or sale to fund
- Fully licensed in all 50 states
- Major brokerage with own resources
- Public, regulated “household name” firm.
 - Rates lower than most mortgages.
 - Freedom to trade
 - No mandatory account management fees
 - Online 24/7 access
 - Opportunity for conventional business credit.

Read www.abnicholas.com/aboutourfinancing.html



Why LeverageLine Will Help You Sell More...

- **Speed:** No waiting weeks or months while your entire estate is examined for collateral purposes.
- **Credit line sizes** from \$100,000 on up.
- **Instantly access funds** by debit card, check, or wire.
- **No restriction** on use of funds except that you cannot buy other marginable securities with proceeds.
- **Opens doors** to franchise owners for conventional business credit that would otherwise be closed.
- **Major, household name** brokerage/banking giant.
- **Can be used alongside** bank or SBA financing.
- **Repayment** always interest-only; principal optional, no penalty for payoff.
- **A revolving line of credit;** as you pay off what you have drawn, the line is refilled.

Download our White Papers:

[- For Franchisees](#)

[- For Financial Professionals](#)

[- For Real Estate Investors](#)



Security

- Fully licensed and regulated multi-billion dollar U.S. brokerage and banking firm.
- No sale of securities to fund.
- FINRA-member adviser works with each client.
- Relationship-oriented adviser w/ long-term view.
- Built for conventional financing follow-ons.
- Expertise in franchise, business, real estate clients.
- Per regulations, lender and lender adviser.
information fully disclosed only upon receipt of
a signed Term Sheet or completion by
Affiliate of an Orientation and Training
(OAT) session (Write/call to set up).

[Read the ABN FAQ](#)



Our Value Proposition

- “Passive” asset leveraged into a franchise etc. investment means two asset classes at work, not one
- Eliminates the massive paperwork, credit stress, and micromanagement of an SBA or bank business loan
- Reduces or eliminates the delay factor in the purchase of a franchise or new business
- Low-cost money - without a sale

[See a List of Organizations Now Using A. B. Nicholas LeverageLine Finding](#)



Benefit	SBA	Bank	LeverageLine
Wholesale rates below best mortgages	No	No	Yes
Follow-on business financing	No	Maybe	Standard
Two-week closing	No	Rarely	Standard
Sale of your loan to another lender	Yes	Yes	Never
Liberal 2-week Call policy	N/A	No	Always
Interest-only repayment OK	No	No	Always
Easy Online Integration	No	No	Yes
Orientation & Training	No	No	Yes

Speed

- Two-week closing from inquiry is standard.
- Add an extra week if signatory borrower is a company or trust (total about 15 days)
- Application all electronic for speed
- Account opened for client is solely owned, not jointly owned. Opened same day typically
- Credit line opened, ready for draw within 48 hours of signing credit line agreement
- Debit card, checkbook, wiring privileges for quick and easy access
- Licensed FINRA-member advisor on hand during business hours



Application - Getting a Quote



Step One

- Use Get Quote Form on Website to Apply
- Attach a recent brokerage statement and picture ID
- Answer a few simple questions and submit



Step Two

- Receive and Sign Term Sheet Online
- Review Term Sheet. Sign via a VeriSign-secured two-click system.
- Signing simply states that you agree A. B. Nicholas has not held itself out as an employee of the licensed lending institution; has not offered investment or tax advice; and that you understand offer.
- You are not obligated to proceed with your financing by signing and owe nothing.



Step Three

- Enter the Licensed Lending Institution
- A Disclosure letter is sent to you outlining the name and background of your licensed lender.
- Conference call with lender set up.
- No cost and no obligation is incurred.

[Go to the LeverageLine Quote Request Form Here](#)



Margin Loans vs. LeverageLine

Immediate-demand call policy vs flexible, client-friendly = no client calls to date.

CONVENTIONAL MARGIN LOANS

- “Purpose” credit used for deploying additional stock purchasing power
- 50% LTV limit by regulation.
- Call immediately occurs when the value of account fails to meet the account's maintenance margin requirement.
- Every day spent with uncured call scenario = too much risk.
- Investor must immediately sell positions, deposit funds or securities or lose his/her securities.
- Margin loan “cash” is not really cash, but stock buying authority.

LEVERAGELINE™

- “Non-Purpose credit used for any legal investment other than the purchase of marginable securities.
- Call only occurs when portfolio value drops to less than 130% of whatever the client has drawn from his line. Example: \$1MM Portfolio, \$650K line, client draws \$100K; portfolio would have to drop to below \$130K before there was a call.
- Relationship-oriented lender monitors portfolio and provides “heads-up” for any at-risk stocks in portfolio.
- Two weeks+ to clear any call scenario.
- Many cure options: Can restructure into other securities, pay off some of the loan, or wait for stock to rise depending on case.
- No ABN client to date has ever experienced a call to date.

[Read the LeverageLine Vs. Margin Loan White Paper Here](#)



Conclusion

- The perfect supplement, or replacement, for business, for clients with eligible (\$10/share+) securities.
- Clients can use cash and restructure into securities with a LeverageLine in mind, with lender adviser.
- We pay affiliates immediately upon receipt of ABN consulting fee from client. Average payday: \$3-\$10K.
- Client avoids selling their securities to obtain funds, and need not abide by bank-determined rules for credit or investment.
- Very speedy, without disturbing client's pre-existing assets (dividends preserved).
- The security of a major financial firm.



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"One Step Ahead"

Contact Information

Whether you have specific questions or need to patch us into a sales call...



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