



# Securities-Based Line of Credit

A *Securities-Based Line of Credit* lets you borrow using your eligible investments as collateral, so you can get the money you need without selling investments and possibly incurring capital gains taxes\*. A Fauquier Bank *Securities-Based Line of Credit* is an effective tool for managing your cash flow or providing you with a convenient and ready source of funds.

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## The Fauquier Bank *Securities-Backed Line of credit* at a glance

A TFB *Securities-Based Line of Credit* can be a convenient way to have a ready source of funds for a variety of purposes, such as: tax payments, tuition, or major purchases. As long as you have sufficient eligible marketable securities held by The Fauquier Bank as collateral, using this line of credit may be an easier and more cost-effective strategy for accessing cash than other alternatives.

## Features

The *Securities-Based Line of Credit* offers a number of attractive features, including:

- Financing up to \$750,000
- Revolving line of credit
- Variable-rate: Prime Rate or LIBOR index options;
- Interest-only payments
- Access Options:
  - Overdraft Protection option for a TFB checking account

† Note: in certain situations, The Fauquier Bank may be required to sell some or all of your pledged assets, which could trigger tax consequences Subject to credit qualifications.

\*We are not tax professionals. Please consult with a tax advisor.

## Benefits

### *Keep your portfolio intact*

Selling your investments to meet a need for cash may disrupt your investment plan, and removes the opportunity to receive dividends (if any) or to participate in the potential for the stock's appreciation in value.

### *Manage uneven cash flows*

Your income may fluctuate substantially during the year due to the timing of dividends, sales commissions, partnership distributions, or other periodic sources. A *Securities-Based Line of Credit* can help even out your cash flows.

### *Avoid a taxable event\**

By using a *Securities-Based Line of Credit*, you may avoid incurring capital gains taxes that you could face if you sell investments that have appreciated in value since you purchased them.

## The value of our relationship

Credit solutions often play an important role as part of a wealth management strategy. As a client of The Fauquier Bank Wealth Management Group, you have unlimited access to a team of professionals who can provide "full balance sheet" management that is aligned with your wealth plan.

Please contact your TFB Wealth Management Professional to learn more about our capabilities, product offerings and the benefits of opening a *Securities-Based Line of Credit* with The Fauquier Bank.