



NATIONAL STANDARD

National Standard Finance, LLC

# Liquidity Solutions

for Emerging Markets



## Introduction

1. Does your bank or financial institution need new sources of institutional capital?
2. Do you have more quality loan or financing requests than your bank or financial institution can lend?
3. Do you need a strong international investment partner?
4. Are you seeking new cash deposits and capital for Tier 1 capital, Basel III or to increase lending or make acquisitions?

If you answered yes to any of these questions, then look no further as National Standard may have a liquidity solution that can be customized to your needs.

National Standard has developed a portfolio of creative, efficient and cost effective financial products to address the needs of growing financial institutions across the middle market and emerging economies such as Africa, India and Latin America.

## Product Summary

### 1. Loan Portfolio, Large Loan Syndication Products

National Standard can, in partnership with your institution, fund your new large commercial and government sponsored loans, pools of retail and residential loans, balloon

loans or refinance your existing loan portfolio at low interest rates to keep your borrowers happy and help you conserve cash on hand. You benefit by charging an annual fee to your borrower for a letter of credit, while we arrange to fund your new loans. Your institution or your borrower receives a great rate that can be interest-only or amortized. In the meantime, the borrower keeps their deposits at your institution as well as other services. Moreover, the funds remain in your institution and you benefit by retaining the borrower as your client across product ranges. In this partnership, your institution will arrange for a letter of credit and National Standard will provide the funding. The letter of credit is subject to terms and conditions acceptable to National Standard including, but not limited to credit approval.

- Funding can be variable or fixed rate
- 1 to 20 year terms (case by case)
- Interest only or amortizing
- Funds will be in USD currency
- Amounts: USD \$50 Million and larger

This product is ideal for large corporate loans and infrastructure financings that exceed your institution's lending limits, but that are critical projects to the local economy.

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## 2. Bank Cash Deposits and Institutional Certificate of Deposit Products

National Standard is offering a proprietary product for significantly and quickly increasing bank deposits. This is a confidential and limited program and can be transparent in financial disclosure. Other than reporting increased deposits on your bank's balance sheet, the transaction is not made public. This program is also available as an Institutional Certificate of Deposit and is similarly structured for a cash deposit.

National Standard can provide qualified banks to originate cash deposits by simply issuing a Letter of Credit on behalf of the bank to National Standard's trustee bank, which can be an off-balance sheet item depending on your bank's accounting requirements. Please check with your auditor for accounting advice to determine the accounting status. The bank can return the funds or a portion of the funds at any time without penalty. The bank takes the lead role in how they desire to internally structure the use of new capital. The funds are provided at a cost of floating, interest-only, 30-day LIBOR plus a margin.

The bank will pay monthly interest on the deposit as they would for a Certificate of Deposit and a monthly servicing fee. While every transaction is different and customized to the bank, most banks will qualify for a 12 month floating rate tied to LIBOR of 2.50% to 4.00%.

Typically, the transaction can be structured to re-new annually (up to 15 years). The funds will remain on deposit in the bank as long as the Letter of Credit remains outstanding. The bank may decide to reduce the letter of credit and corresponding funds on deposit as deemed necessary by the bank. This is an excellent way for banks to fund new loans and to increase capital reserves.

- Annual facility with annual renewals
- No prepayment penalty
- Transactions in USD currency
- \$50 Million to \$500 Million





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Also, the letter of credit is essential to ensure that 100% of the value of the capital will be paid to National Standard in the event of a default.

We will not draw on the letter of credit unless one of these events occur:

1. The interest only payment is in default.
2. The annual renewal is not extended at the option of the bank.
3. The letter of credit is no longer renewed by the bank at which time the funds will be returned/repaid.

## About National Standard Finance

National Standard Finance, LLC is a leading U.S. based multinational institutional alternative investment company and asset manager. National Standard is capitalized by a consortium of large North American financial institutions

and some of the world's leading global investment banks with combined financial assets

exceeding US \$2 Trillion which provide us with the financial backing to tackle the most complex and challenging financial transactions. National Standard maintains offices and staff across the global markets we serve.

National Standard serves the global sovereign, sub-sovereign and infrastructure financial markets as the leading go-to financial institution for complex cross border financial transactions. National Standard is a leading progressive institution in Foreign Direct Investment across the emerging markets including Africa, India, Middle East and Latin America.



# National Standard



National Standard's objective is to become a "private market alternative" to the World Bank, IMF, European Investment Bank and the proposed (but never established) US National Infrastructure Bank, by combining the best practices of the multilaterals. National Standard is a commercial, for-profit institution, with an objective to protect its capital and to provide a secure risk-adjusted return.

For more information visit web site at [www.NatStandard.com](http://www.NatStandard.com).

