

Priority Credit Line

Access funds while preparing for the future



Use your Priority Credit Line for:

- Unplanned expenses
- Real estate financing
- Debt consolidation
- Education expenses
- Business financing
- Tax payments
- Or whatever need is a priority for you

Planning for borrowing needs in the context of your larger financial picture and using credit responsibly may help you increase your financial flexibility while keeping your financial goals intact. That's where a Wells Fargo Advisors Priority Credit Line may come in handy.

Meet today's liquidity needs without selling assets

The Priority Credit Line is a line of credit backed by the value of eligible securities in your Wells Fargo Advisors accounts. It is designed to help you meet personal or business cash-flow needs. It offers an alternative to premature liquidation of assets, and, as a result, defers potential capital gains taxes. A Priority Credit Line does not charge origination, non-usage, or termination fees or require monthly payments.

Enjoy the benefits

- Remaining invested in the market while leveraging your securities for liquidity.
- Ability to use the funds for any purpose other than purchasing, trading, or carrying securities or paying off a margin account.
- No credit and background checks required to establish a Priority Credit Line because the line is supported by your eligible assets.
- A streamlined account-opening process and easy access to funds via access checks and online banking.
- Competitive interest rates generally lower than credit cards and possibly lower than other forms of borrowing.
- Relationship pricing discounts based on the household's relationship with Wells Fargo Advisors.

Carefully consider whether securities-based borrowing is right for you

Securities-based borrowing has special risks and is not appropriate for all investors. If the market value of pledged securities declines below required levels, you may be required to pay down your line of credit or pledge additional eligible securities in order to maintain it; otherwise the firm may require the sale of some or all of the pledged securities. The sale of pledged securities may also cause adverse tax consequences.*

Call me today to learn how a Priority Credit Line can help meet your liquidity needs.

** Wells Fargo Advisors and its affiliates are not tax or legal advisors.*

Securities-based lending has special risks and is not appropriate for everyone. If the market value of a client's pledged securities declines below required levels, the client may be required to pay down his or her line of credit or pledge additional eligible securities in order to maintain it, or the lender may require the sale of some or all of the client's securities. Wells Fargo Advisors will attempt to notify clients of maintenance calls but is not required to do so. Clients are not entitled to choose which securities in their accounts are sold. The sale of their securities may cause clients to suffer adverse tax consequences. Clients should discuss the tax implications of pledging securities as collateral with their tax advisors. Wells Fargo Advisors and its affiliates are not tax or legal advisors. An increase in interest rates will affect the overall cost of borrowing. All securities and accounts are subject to eligibility requirements. Clients should read all lines of credit documents carefully. The proceeds from securities-based lines of credit may not be used to purchase additional securities, pay down margin, or for insurance products offered by Wells Fargo affiliates. Securities held in a retirement account cannot be used as collateral to obtain a loan. Securities purchased in the pledge account must meet collateral eligibility requirements.

Financing real estate with a securities-based line of credit carries risk and may not be appropriate for your needs. A complete assessment of your circumstances is needed to help you determine which type of loan provides the best fit. Please consult your tax or legal advisors to determine how any credit may apply to your own situation. Whether any planned tax result is realized by you depends on the specific facts of your own situation at the time your taxes are prepared.

Wells Fargo Advisors ("WFA") and its financial advisors have a financial incentive to recommend the use of securities-based lending products ("SBLs") rather than the sale of securities to meet client liquidity needs. Financial advisors will receive compensation on Priority Credit Line ("PCL") and other non-purpose SBL from Wells Fargo Bank. Your financial advisor's compensation is based on the outstanding debit balance in your account. In addition, your financial advisor's compensation will be reduced if your interest rate is discounted below a certain level. This creates an incentive for financial advisors to recommend PCL and other SBL products, as well as an incentive to encourage you to maintain a larger debit balance and to discourage interest rate discounts below a certain level. The interest you pay for the loan is separate from and in addition to other fees you may pay related to the investments used to secure the loan, such as ongoing investment advisory fees (wrap fees) and fees for investments, such as mutual funds and ETFs, for which WFA and/or our affiliates receive administrative or management fees or other compensation. Specifically, WFA benefits if you draw down on your loan to meet liquidity needs rather than sell securities or other investments, which would reduce our compensation. When assets are liquidated pursuant to a house call or demands for repayment, WFA and your financial advisor also will benefit if assets that do not have ongoing fees (such as securities in brokerage accounts) are liquidated prior to or instead of assets that provide additional fees or revenues to us (such as assets in an investment advisory account). Further, different types of securities have higher release rates than others, which can create a financial incentive for your financial advisor to recommend products or manage the account in order to maximize the amount of the loan.

Priority Credit Line is offered by Wells Fargo Advisors and lending and margin accounts are carried by Wells Fargo Clearing Services, LLC (WFCS).

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

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