

INTEGRATING PRIVATE BANKING SOLUTIONS INTO YOUR PRACTICE

■ SECURITIES- & INSURANCE-BACKED LIQUIDITY SOLUTIONS
& FDIC-INSURED DEPOSIT PROGRAMS | MARCH 2023



TOPICS FOR DISCUSSION



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Meet
The Bancorp, Inc.



2

Key
Differentiators



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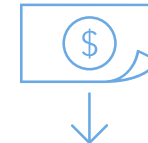
Lending
Solutions

- Securities-Backed Line of Credit (SBLOC)
- Insurance-Backed Line of Credit (IBLOC)
- Advisor Financing Solution



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TALEA®
Loan Origination
Platform



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Deposit
Services

- Investment Checking Account
- Master Demand Account & Master Demand Account Advantage



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The Bancorp
Support Team

- Full Circle Service Delivery Model
- Regional Business Development Officers



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Questions &
Answers

MEET THE BANCORP, INC.

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THE BANCORP BUSINESS MODEL



FINTECH SOLUTIONS

Enabling fintech companies by providing card sponsorship and facilitating other payments activities



INSTITUTIONAL BANKING

Lending solutions for wealth management firms



COMMERCIAL LENDING

Small business lending and commercial fleet leasing



REAL ESTATE BRIDGE LENDING

Focus on multifamily assets in high-growth markets

PAYMENTS

Market-leading payment activities generate stable, non-interest income and lower-cost deposits

LENDING

Highly specialized lending products in high-growth markets



WE HAVE BUILT A SPECIALIZED & UNIQUE BANKING PLATFORM

Our mission is to deliver world-class banking and technology solutions that meet the unique banking needs of leading nonbank financial services companies.

INTEGRATING PRIVATE BANKING SOLUTIONS INTO YOUR PRACTICE | MEET THE BANCORP, INC.

\$7.9B
IN ASSETS¹

175M+

PREPAID & DEBIT CARDS
IN U.S. DISTRIBUTION²

#1

LARGEST U.S. ISSUER
OF PREPAID CARDS
SINCE 2012³

ACROSS OUR BUSINESS LINES,
THE BANCORP PARTNERS WITH SOME OF
THE WORLD'S MOST SUCCESSFUL COMPANIES.⁴

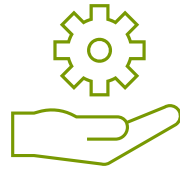


WHY WORK WITH THE BANCORP?

Banking products and services **developed to support** financial professionals.



Our mission is to help financial professionals retain and grow client assets.



We develop products and services to help financial professionals manage the assets and liabilities sides of clients' balance sheets.



We understand what's at stake for financial professional relationships with emerging affluent, HNW, and UHNW clients.



Financial professionals want to surpass transaction-based support and build lasting relationships with their clients.



Our business model, product suite, and dedicated support can promote deeper, trust-based relationships between financial professionals and their clients.



KEY DIFFERENTIATORS

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—
HOW
THE BANCORP
BUSINESS
MODEL
DIFFERS
FROM OUR
COMPETITORS



ALWAYS A PARTNER.
NEVER A COMPETITOR.



WHITE-GLOVE
SERVICE



INDUSTRY
ADVISOR



CLIENT-BEFORE-FIRM
MENTALITY



COMPREHENSIVE
LENDING
SOLUTIONS



TALEA®
LOAN AUTOMATION
PLATFORM

LENDING SOLUTIONS

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SECURITIES-BACKED LINE OF CREDIT (SBLOC)

OVERVIEW

- An interest-only credit line offering up to 95% of the value of a client's nonqualified portfolio assets¹⁻²
- Available to individuals, trusts and entities
- Minimum Credit Line: \$100,000³
- No income verification for individuals, joint accounts or trusts
- No application fee, no annual or monthly fees⁴
- No charge for portion of line not in use
- May help avoid the potential tax consequences of liquidating assets⁵
- Simple application and underwriting process

1. Subject to credit approval and underwriting.
 2. The 95% advance rate is for an all-cash portfolio.
 3. Minimum requested amount must be \$100,000.00 or such greater amount as may be prescribed from time to time pursuant to 12 C.F.R. Section 1026.3(b) of Regulation Z issued by the Consumer Financial Protection Bureau as the minimum threshold necessary to qualify the Line of Credit as an exempt consumer credit transaction thereunder.
 4. The Bancorp Bank, N.A. does not charge an application fee. State, local and/or third-party fees apply in some states.
 5. Clients should consult with a tax professional regarding potential tax implications involving the investment portfolio.
 6. The SBLOC cannot be used to purchase securities or to pay off a margin loan that was used to purchase securities.

POTENTIAL USES

-  Real estate investment
-  Nonpurpose loan payoff
-  Estate settlement
-  Business investments/costs
-  Taxes
-  Tuition
-  Other liquidity needs⁶



ADVANTAGES



Clients

- Alternative to liquidating investment portfolio
- Investment strategy remains intact
- May avoid capital gains taxes
- Single provider for asset and liability sides of balance sheet
- Evergreen credit facility



Financial Professionals

- Retain AUM when client liquidity needs arise
- Reduce competitive risk from wire houses and investment banks
- Deepen client relationships
- Offer holistic advice

INSURANCE-BACKED LINE OF CREDIT (IBLOC)



AN
IBLOC IS A
VALUABLE
ALTERNATIVE
TO POLICY
LOANS TO
MEET YOUR
CLIENTS'
LIQUIDITY
NEEDS.

OVERVIEW

- Interest-only revolving credit line allows your clients to tap up to 95% of the cash value of a whole life, universal life, or indexed universal life insurance policy.¹⁻³
- Minimum Credit Line: \$75,000⁴
- Tiered interest rate tied to The Wall Street Journal Prime Rate (WSJP); fixed-rate option available
- Available to individuals and trusts
- Streamlined application process using DocuSign®
- No application fee⁵ or closing costs
- Interest payments can be capitalized
- Easy to make credit limit increase requests⁶⁻⁷

APPROVED INSURANCE CARRIERS



POTENTIAL USES



Real estate investment



Debt consolidation



Nonpurpose loan payoff



Business investments/costs



Taxes



Tuition



Home improvement



Other liquidity needs⁸

ADVISOR FINANCING PROGRAM

OVERVIEW

- Fixed-rate conventional loans for mergers, acquisitions, debt restructuring and succession planning
- Expert underwriting and application services of SkyView Partners®
- Minimum Loan Amount: \$500,000
- Terms and amortization up to 10 years
- Allows for partial-practice sales, tranche sales, and sell-and-remain options
- No liens on home or other personal property
- Flexibility around seller's departure from the business
- No equity injections required with acceptable loan-to-value ratios

COMPREHENSIVE UNDERWRITING PROCESS



SkyView Partners' team of industry experts work closely with you as the advisor during the underwriting process to comprehensively assess your financial health for The Bancorp to determine loan eligibility and terms.



CONVENTIONAL LENDING PROGRAM TO POWER PRACTICE TRANSITIONS

TALEA[®] LOAN ORIGINATION PLATFORM

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TALEA®

Making its mark in loan origination.

TALEA® (ta-LAY-a) is a loan automation platform, developed and powered by The Bancorp, that enables speed and simplicity in loan origination.

TALEA creates a streamlined borrowing experience through digital document delivery for the IBLOC and a fully automated experience for SBLOC processing.



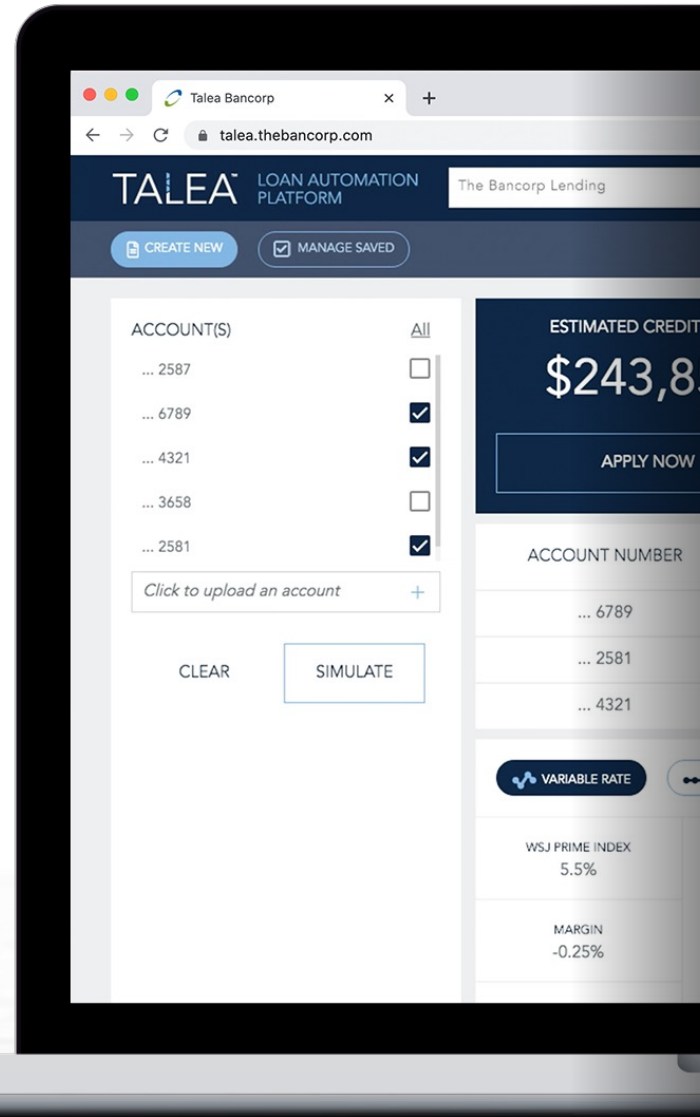
STREAMLINES
APPLICATION
PAPERWORK



AUTOMATES
MOST STEPS OF
THE LOAN APPROVAL
PROCESS



SIGNIFICANTLY
REDUCES
LOAN APPROVAL &
FUNDING TIME



ADVANTAGES



Clients

- Streamlined origination process
- Faster loan approvals
- Quicker access to needed liquidity
- Better understanding of portfolio drawing power
- Competitive interest rates
- Convenience of an all-digital process
- Faster access to emergency liquidity avoids untimely capital gains/losses from selling investments



Financial Professionals

- Easier application process
- Simpler loan underwriting
- Convenience of "Meet once, sign once" documentation
- Adaptable client experience – from physical to all-digital
- Better ability to model collateral
- Faster access to emergency liquidity avoids the disruption of investment strategies and loss of AUM

DEPOSIT SERVICES

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INVESTMENT CHECKING ACCOUNTS

OVERVIEW



Convenience. Flexibility. Functionality.

- FDIC insured
- No minimum balance requirement
- Unlimited check-writing privileges
- Free standard-style checks
- ATM access with VISA® debit card
- Online funds transfer tool
- Mobile App for account status, online transfers, check deposit, and Bill Pay
- Market-competitive interest rate among brokerage checking products*
- Monthly sweeps to/from the brokerage account to the investment checking account based on client balance elections
- Automatic overdraft protection for checks and Bill Pay through available funds in the linked brokerage account

* Interest is paid on personal, trust and nonprofit business accounts.



ALL OF THE FEATURES & BENEFITS OF A PREMIUM BANK ACCOUNT PLUS ACCESS TO A CLIENT'S PORTFOLIO FUNDS

MASTER DEMAND ACCOUNT (MDA) & MASTER DEMAND ACCOUNT ADVANTAGE (MDAA)

OVERVIEW



FDIC-insured DDAs for qualified plans (e.g., retirement, 401(k), defined benefit pension plans, etc.):^{1,2}

- Offers qualified plan participants liquidity, safety, and an option to diversify their Plan portfolio.
- Provides the convenience of investing, trading, and rebalancing through Fund/SERV trades.
- Completely liquid accounts – similar to a mutual fund in your 401K.
- Allows participants to adjust the cash holdings in their plan by making deposits to the MDA/MDAA each day.
- Attractive alternative to other cash equivalents due to liquidity and competitive interest rates.
- Minimum deposits for account opening:
 - MDA - None
 - MDAA - \$10,000

1. Amounts on deposit in the MDA/MDAA will be insured by the FDIC for up to \$250,000.

2. The MDA and MDAA are made available to qualified retirement plans and other benefit plans such as 401(k) and other defined contribution pension plans, defined benefit pension plans, medical benefit plans and other welfare benefit plans, and deferred compensation plans under Section 457 of the Internal Revenue Code.



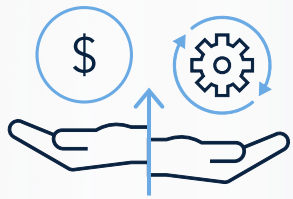
FDIC-
INSURED
ALTERNATIVE
FOR
THE CASH
PORTION OF
QUALIFIED
PLANS

SUPPORT TEAM

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A FULL CIRCLE SERVICE DELIVERY MODEL



Enhanced Sales and Service Support

- The Bancorp has best-in-class sales, service, and technology platforms.
- We provide comprehensive service and support to financial professionals and their clients to deliver an industry leading borrowing experience from application through funding and beyond.



Benefits of Our Service Model

- Client Success Team and key points of contact will resolve any issues in a single call.
- Increased level of service and support.
- Promotes improved communication, trust and confidence.
- Creates a direct feedback channel.



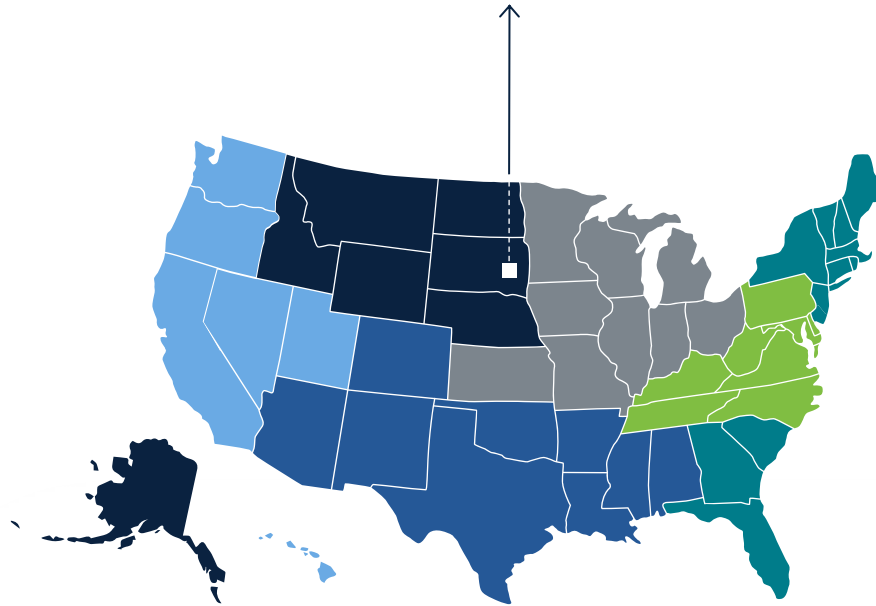
EXPERTISE WITHIN YOUR REACH

- **Financial professionals will have access** to our nationwide team of Regional Business Development Officers (RBDOs) who will provide dedicated service based on an average of 25 years of financial services industry experience.
- **As the banking experts**, the RBDOs are devoted to providing white-glove service and fostering deep relationships with financial professionals.
- **Every member of our RBDO team** is paired with a team member in our Wilmington, DE office, and will ensure that financial professionals fully understand our banking solutions and how they can benefit your clients.
- **Institutional Banking will support you** with branded marketing collateral including one pagers, web copy and more to promote the banking solutions that we offer in conjunction with you and your firm.
- **The RBDOs will also provide enhanced support** to ensure the timely processing of your clients' SBLOC and IBLOC loans.

NEW HQ AS OF FEB. 2023

THE BANCORP BANK, N.A.

SIOUX FALLS, SD



EAST (E)

HEARTLAND (HL)

MID-ATLANTIC (MA)

NORTHWEST (NW)

MIDWEST (MW)

WEST (W)



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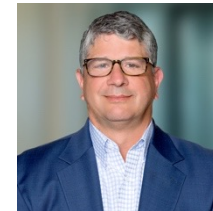
YOUR DEDICATED CONTACTS

THANK YOU

QUESTIONS?



Visit institutionalbanking.thebancorp.com to learn more about the products and services offered by The Bancorp Institutional Banking.



John Leto

Executive Vice President,
Head of Institutional Banking

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Joe Bennett

Director, Relationship Manager
National Accounts

📞 904.762.8711 ✉️ jbennett@thebancorp.com

IBLOC DISCLOSURES

1. Policy must be in effect for at least 12 months at the time of credit application. Line of credit is contingent on life insurance policy remaining in good standing. The insurance policy owner must be the borrower. Insurance policy must be issued by one of the following approved insurance providers to be eligible as IBLOC collateral: Guardian, MassMutual, Northwestern Mutual, NY Life, John Hancock, Penn Mutual, Ameritas Life Insurance Corp, Security Mutual Life. There may be an adverse tax consequence to clients pledging the policy and as such, we strongly advise consulting with a tax advisor before pledging the policy as collateral for a loan.
2. Collateral Lending Value is an amount equal to the sum of the then cash surrender value of the policy to which the pledgor is entitled, multiplied by such percentage as The Bancorp Bank, N.A. ("Bank") may determine in its discretion, not to exceed ninety-five percent (95%).
3. Subject to credit approval and underwriting.
4. Minimum requested amount must be \$75,000.00 or such greater amount as may be prescribed from time to time pursuant to 12 C.F.R. Section 1026.3(b) of Regulation Z issued by the Consumer Financial Protection Bureau as the minimum threshold necessary to qualify the Line of Credit as an exempt consumer credit transaction thereunder.
5. The Bancorp Bank, N.A. does not charge an application fee. State, local, and/or third-party fees may apply in some states.
6. For the IBLOC secured with a whole life insurance policy, no credit limit increase is permitted within one-hundred-eighty (180) calendar days of the loan origination date. Maximum number of credit line increases is two (2) within a twelve-month period. Other terms apply.
7. For an IBLOC secured with a universal life or indexed universal life insurance policy, annual reviews will be completed to determine eligibility for credit limit increases.
8. The IBLOC cannot be used for the purchase of securities or to pay off a margin loan that was used to purchase securities.

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