

Securities-based Lines of Credit in Practice

A Smart Option to Help Pay for Education



Securities-based Lines of Credit in Practice is a series based on borrower experiences using GS Select.

Paying for education can come with a hefty price tag, from books and supplies to room and board. Making ends meet can be a challenge – even with financial aid.

Our team was delighted to hear one recent client describe the game changing effects of a GS Select securities-based line of credit when it came to funding her daughter's college education. She had taken out several unsecured loans, each with different interest rates, durations and payment schedules. They amounted to monthly bills of almost \$1,300. Our client was under pressure to track all of the payments, write separate checks each month and ensure that nothing slipped through the cracks.

Things changed when her financial advisor told her about GS Select.

Our client paid off the other loans by consolidating everything into one secured line of credit with GS Select. She felt she had greater flexibility and control over her expenses with everything in one place. The GS Select portal provides her direct insight into her credit line, which she can use for her next college-bound child or other education expenses.

That's smart thinking

Loans are offered by the Salt Lake City branch of Goldman Sachs Bank USA ("GS Bank"), a New York State-chartered bank and a wholly-owned subsidiary of The Goldman Sachs Group, Inc. GS Bank is a member of the Federal Reserve System and Member FDIC. Goldman Sachs Private Bank Select is a business of GS Bank. Credit qualification and collateral are subject to approval. Additional terms and conditions would apply. Products, rates, qualifications, and terms and conditions are subject to change in GS Bank's sole discretion and without notice.

Goldman Sachs does not provide legal, tax or accounting advice. Any statement concerning U.S. tax matters is not intended or written to be used and cannot be used for the purpose of avoiding penalties imposed on the relevant taxpayer. The taxpayer should obtain their own independent tax advice based on their particular circumstances. Securities based loans may not be suitable for all loan parties (e.g., borrowers, pledgors, and guarantors) and carry a number of risks, including but not limited to the risk of a market downturn, tax implications if pledged securities are liquidated, and the potential increase in interest rates. If the value of pledged securities drops below certain levels, loan parties may be required to pay down the loan and/or pledge additional securities. The risks are described in the Product Guide and FAQs available upon request. You should consider these risks and whether a securities based loan is suitable before proceeding.

Goldman Sachs Private Bank Select is a registered trademark of Goldman Sachs & Co. LLC.



© 2018 Goldman Sachs. All rights reserved.