



CASH / SECURITIES as Loan Collateral

Collateralized loans on LENDonate

For Lenders, collateral provides a second source of repayment in case the borrower is unable.

For Borrowers, collateral can help qualify for a loan at a lower interest rate.

For Sponsors, collateral is a way to leverage your assets to enable your favorite nonprofits to access low cost financing. Candidates for offering this collateral can be people with access and knowledge of the borrower's financials. This may include board members and the organization's leadership team, such as Founder, CEO, CFO, Treasurer, or Executive Director. Institutions such as foundations with professional staff may also post collateral.

The Collateral

Only liquid collateral are accepted. To calculate coverage ratio required to fully collateralize a loan, asset type is considered. The following are the multipliers used for the different types of assets:

Collateral Type	Multiplier
Stocks	1.80x
Bonds	1.30x
Equity Mutual Funds or ETFs*	1.40x
Bond Mutual Funds or ETFs*	1.15x
Cash, CDs	1.00x

LENDonate reserves the right to change requirements from time to time.

For example, to *fully* collateralize a \$100,000 loan, \$100,000 cash or CD are required, or \$130,000 in Bonds, or \$180,000 in single stocks.

* The only mutual funds that will be accepted will be those where redemptions can be made on a daily basis.