

## Scenario Analysis

SCENARIO	PROBLEM	POSSIBLE STRATEGIES
Investor is concerned with risk of an equity position.	<ul style="list-style-type: none"> <li>*Shares are low cost basis and highly appreciated.</li> <li>*Investor wants to continue to maintain ownership benefits.</li> </ul>	<ul style="list-style-type: none"> <li>*Investor into zero premium collar transaction to protect the downside and participate in the upside of the stock to and upper limit.</li> <li>*Investor purchases a put option for a specific term and level of protection.</li> </ul>
Investor wants to diversify a concentrated equity position.	<ul style="list-style-type: none"> <li>*Investor wants to diversify portfolio while deferring sale of low cost basis stock.</li> <li>*Investor cannot sell shares due to restriction on a stock.</li> </ul>	<ul style="list-style-type: none"> <li>*Investor enters into a prepaid forward contract to receive 80%-90% upfront liquidity, while maintaining ownership benefits.</li> <li>*Investor enters into a zero premium collar combined with a LIBOR-based loan. Investor invests the proceeds of the loan subject to margin limitations in a diversified portfolio.</li> </ul>
Investor desires immediate liquidity.	<ul style="list-style-type: none"> <li>*Shares are restricted from being sold in a public market.</li> </ul>	<ul style="list-style-type: none"> <li>*Investor enters into prepaid forward contract to receive 80%-90% upfront liquidity cash, while maintain ownership benefits.</li> <li>*Investor enters into a zero premium collar combined with a LIBOR-based loan for a minimum term equal to the remaining restricted (holding) period.</li> <li>*Investor enters into a private discount sale.</li> </ul>

