



2023

Generation spanning, cross market solutions for private, public and institutional clients.



A black and white photograph of three business professionals in an office setting. An older man with a beard and glasses is on the left, smiling. A woman with blonde hair is in the center, also smiling. A younger man with glasses and a beard is on the right, holding a clipboard and gesturing with his hand. The background shows office windows and interior decor.

Welcome to UTG,
Your specialised advisory for
asset protection & securitization.

**Ultim Group provides individual asset protection
and securitization solutions for private-, public-
& institutional clients.**

This publication will outline the Ultim Asset Protection
Methodology, its application to today's securitization
tasks and modern underwriting instruments.

Why wealth securitization?

Wealth securitization is a process of transforming assets into tradable securities, allowing for greater liquidity and flexibility in their use. This technique is often used in the formation of Asset Protection Trusts, where assets are pledged to a special purpose vehicle. This Trust is a unique format of a Trust that protects the assets from any potential creditor claims. The receivables from this Trust can be directed towards any beneficiary, such as a financial instrument like a Protection Certificate.

The pledged assets within this structure can be valued and insured, which can be used for refinancing purposes against intangible assets that are not immediately liquid. These advantages provide greater flexibility and security for individuals or businesses seeking to protect and manage their assets effectively.



Asset securitization and capital refinance

Ultim Group is a principal advisory that assists clients in developing sustainable solutions for their wealth management and expansion needs. One of the methods Ultim uses is called "Asset Securitization." In this approach, Ultim works with the client to consolidate physical and monetary assets into Special Purpose Vehicles (SPVs), licenses and IP into concession companies (License Boxes), and financial instruments into a self-securing underwriting entity called the "Guarantee SPV."

Unlike traditional Hedge-Fund or LBO approaches, Asset Protection methodology employs different, also cross-national SPVs in a synchronized transaction, allowing for greater flexibility. This form of Asset-Securitization is a flexible method for the **activation of passive assets** while using the protection funds' emission vehicle to enter capital refinance.

With Asset Protection methodology, several assets from different classes can be **consolidated and fully reflected within one holistic financial instrument**, such as a Corporate Bond, Protection Certificate, or Security Token. At the end, the insured financial instruments, not the assets themselves, represent the portfolio towards the financial market.

Assets securitized under the Asset Protection methodology will never be exposed to risk and remain independent from market indices and benchmarks, while an already rated Insurance instrument takes their place. Overall, Asset Protection methodology is a flexible and secure approach for individuals or businesses seeking to manage and protect their assets effectively.

The Securitization advantage

In the financial realm, the Ultim Wealth Protection and Asset Securitization model stands in a league of its own. This innovative approach allows pledged assets to consist of up to 85% intangibles, while providing unparalleled security in the market. Each asset secured within an Asset Protection underwriting mechanism can be insured by an "A" rated insurance instrument from Lloyds, BMI, Qatar-Re, or Cedent. Additionally, these assets can be held within a generation-spanning wealth management vehicle, which can act as both a guarantor and facilitator, connecting with the financial industry in various ways.

Through a strategic structure of special purpose vehicles, the protected wealth can be used for expansion and growth in clients' businesses in the form of structured instruments, such as guarantee certificates or highly-rated debt instruments. This self-securing concept is a direct response to lessons learned from recent financial crises and is an ideal medium for pension funds and public finance agencies seeking to protect assets and maintain stability..

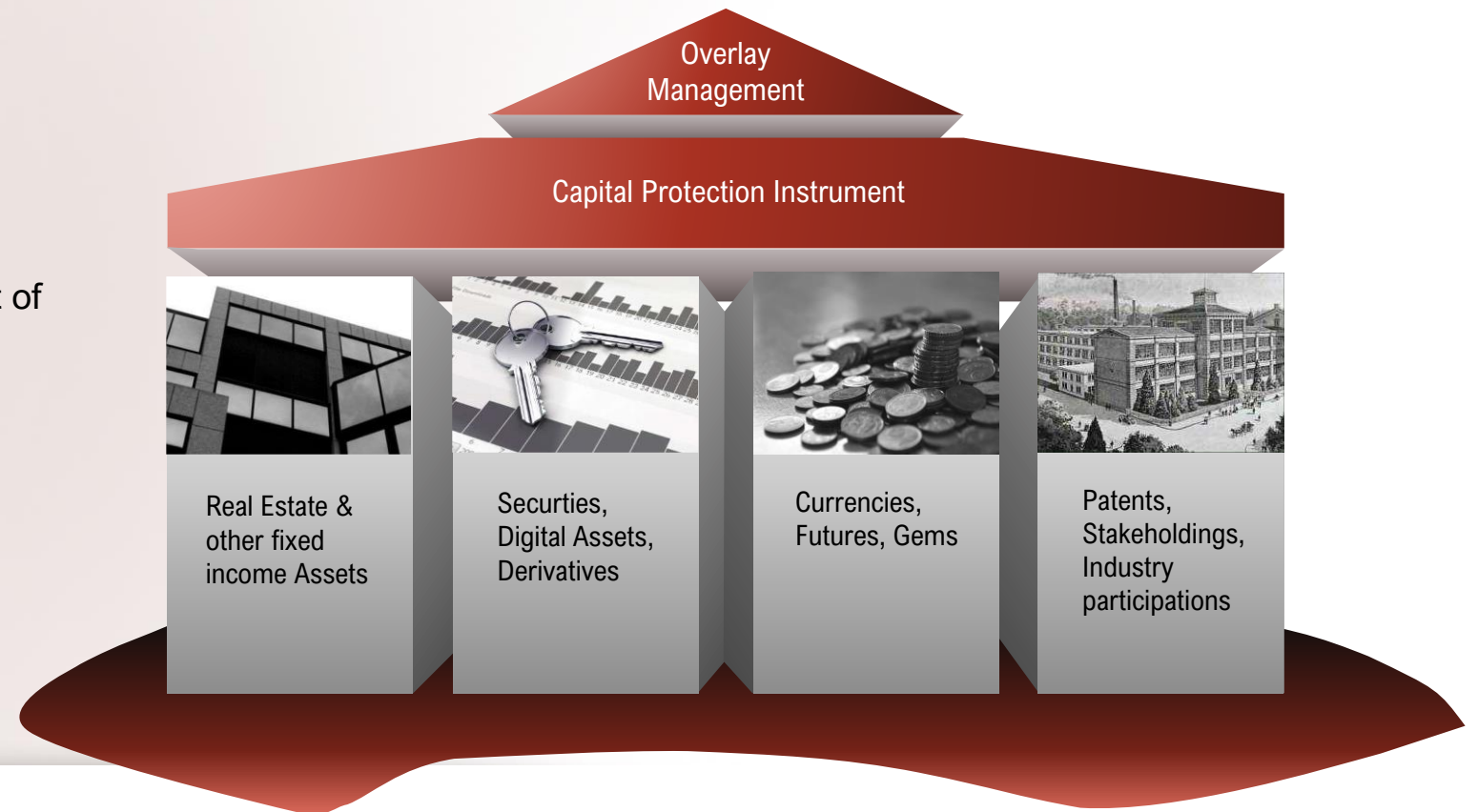
Appropriately named the "Asset Protection" methodology, it serves as the flagship solution offered by the Ultim group of companies, acting as your Principal Advisor. The Asset Protection approach ensures long-lasting security and adheres to the stability and compliance criteria set forth by financial regulators. As a result, the Protection Fund is the preferred instrument for private offices, foundations, funds, and central banks.

UTG provides:

- Portfolio consolidation and securitization through SPV companies.
- Brokering a wide range of credit insurance instruments.
- Arrangement of ABS/MBS securities for asset securitization in trusts.
- Operates as execution only Advisory for Conventional Instruments, IPO/MBP/LBO, Corporate Debt & Tokenized Solutions
- Support in the qualification and creation of all necessary concession subjects for structured finance, STO and IPO

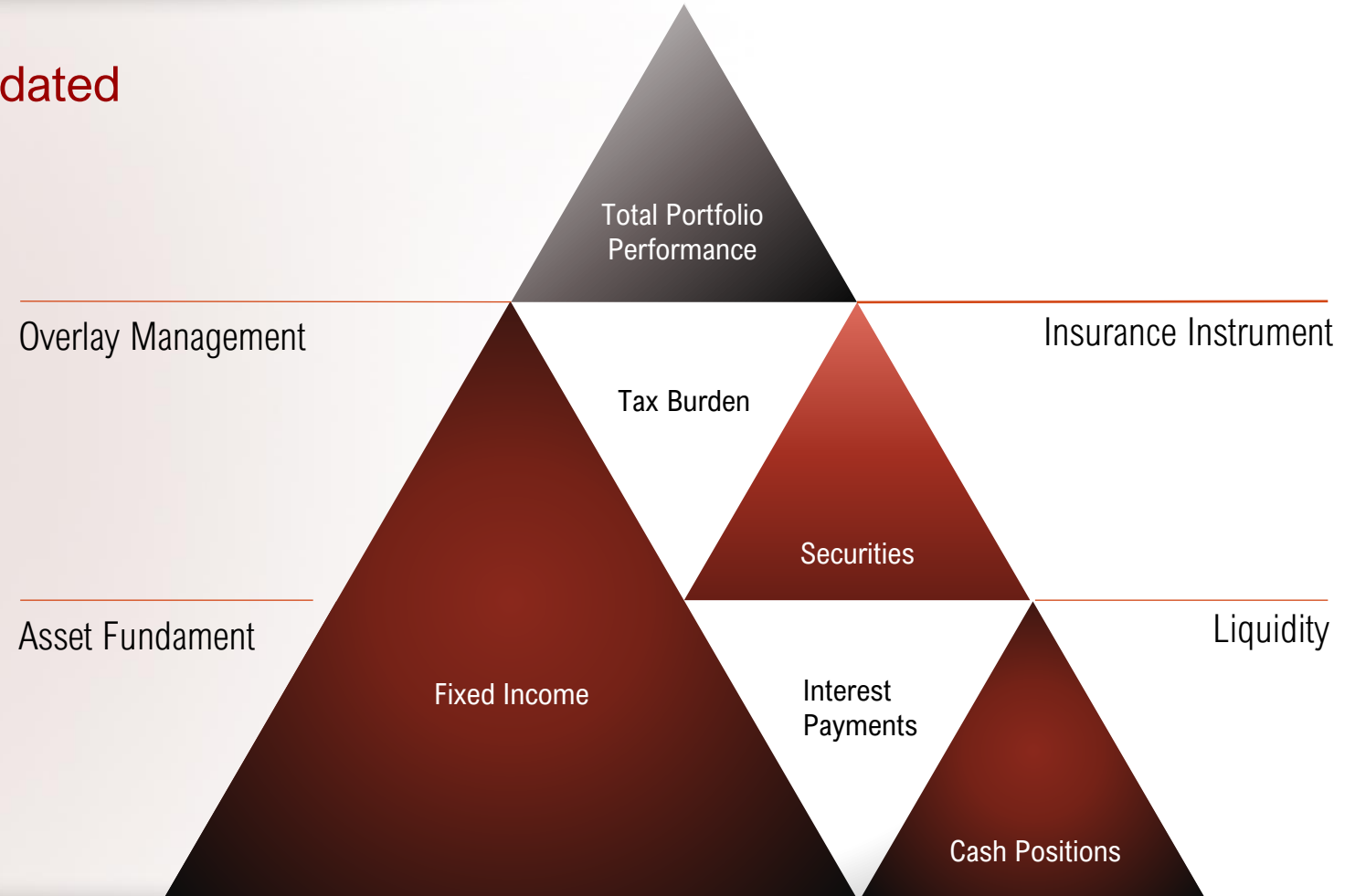
Creating a Consolidated Portfolio with Capital Protection

Ultim is helping clients in the consolidation of their portfolio. As part of our mandate, ultim can arrange rating and activation of assets depending on the clients perceptions. Assets of different classes will be distilled into securities and represented through a bankable instrument as capital on the clients audited balance sheets.



Advantages of Creating a consolidated portfolio with Capital Protection

Large portfolios - if not properly managed may rarely perform returns if not exposed to risk. With the protection trust methodology, a portfolio remains protected, liquid and performing. A Protection Trust owner remains always in control of his portfolio and can operate independent from institutional support



Client Profile:

The client holds a portfolio of real estate, with a leverage model based on real estate project development. To finance or secure projects, the client utilizes external finance and a midterm exit strategy. The majority of their capital is tied up in real estate, and a certain percentage must provide debt service. Including liabilities, the portfolio's ROI exceeds 5% per annum.

Leverage Model Involving Conventional Debt Financing:

The client establishes a Special Purpose Vehicle (SPV) company to hold the future project development. They enter into a relationship with a bank to secure financing. As the project developer, the client must provide collateral from their real estate portfolio. The bank conducts thorough due diligence on the project and collateral assets. A qualified exit strategy is advantageous, and a potential exit-buyer or tenant is a crucial aspect of due diligence.

After this process, the bank uses the real estate as collateral, potentially placing an entry in the land register or requesting a title on charge on land. This creates an encumbrance on the real estate portfolio. Moreover, the bank requires a significant amount of equity (often a minimum of 30% of the facility's face value).

Disadvantages of Debt-Based Models:

- Higher overall financing costs and charges on the collateral. Encumbrances on the real estate make the portfolio less flexible.
- The investment may not achieve expected returns.
- The financing volume may be insufficient.
- In a critical scenario, encumbered assets could hinder other developments due to one distressed project, increasing the risk of default caused by temporary illiquidity.

B Portfolio Management and expansion using the asset protection trust:



Securitized Assets Model:

In comparison, a securitized assets model provides more flexibility for the client. By utilizing the Ultim Wealth Protection and Asset Securitization model, the client can achieve better security without the encumbrances associated with conventional debt financing. The assets can be insured by an "A" rated insurance instrument, and the protected wealth can be used for expansion and growth in the form of structured instruments, such as guarantee certificates or highly-rated debt instruments.

In conclusion, a securitized assets model provides more advantages and flexibility for the client than conventional debt financing, particularly when managing a real estate portfolio. The Ultim Wealth Protection and Asset Securitization model allows for better security and growth potential while minimizing the risks and encumbrances associated with traditional debt-based models.

Underwriter / ABS Instrument

Consolidated Portfolio

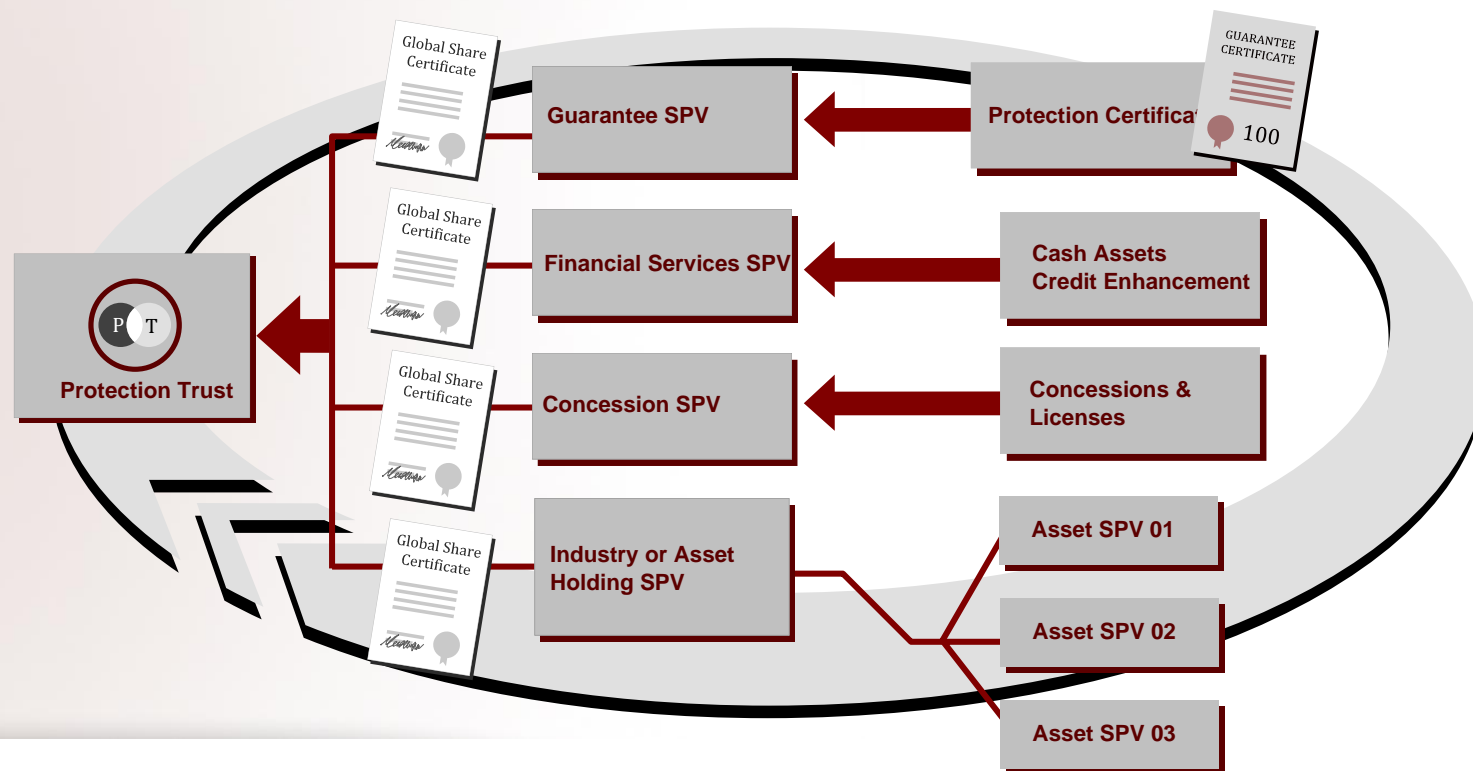
Advantages of Securitized Assets Model:

- Lower financing costs compared to conventional debt financing.
- Greater flexibility in the real estate portfolio due to fewer encumbrances.
- Enhanced potential to achieve expected returns on investment.
- More suitable financing volume tailored to the client's needs.
- Reduced risk of default caused by temporary illiquidity in a critical scenario.

In a classic securitization scenario, more than one SPV will be incorporated that will receive underwriting and creditenhancement without a strong protection component.

This SPV will than be positioned in a specific capital market. Oposite to this structure, the protection fund concept is distributing the elements of a securitization structure into Different entities, allowing the individual placement or protection of essential asset classes, while a strong protection instrument is covering the whole transaction. Therefore the Security will be placed in a dedicated SPV, that becomes the underwriter for all other entities within this converging transaction.

Protection Trust SPV roles and Asset Securitization Structure

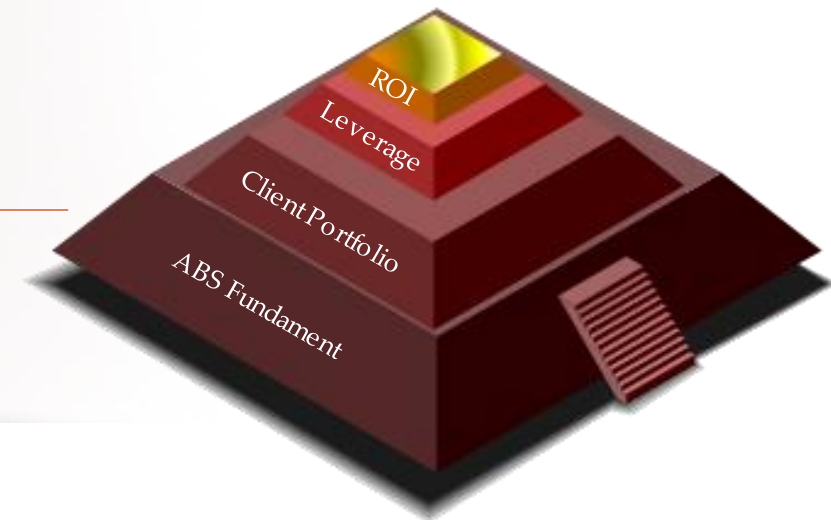


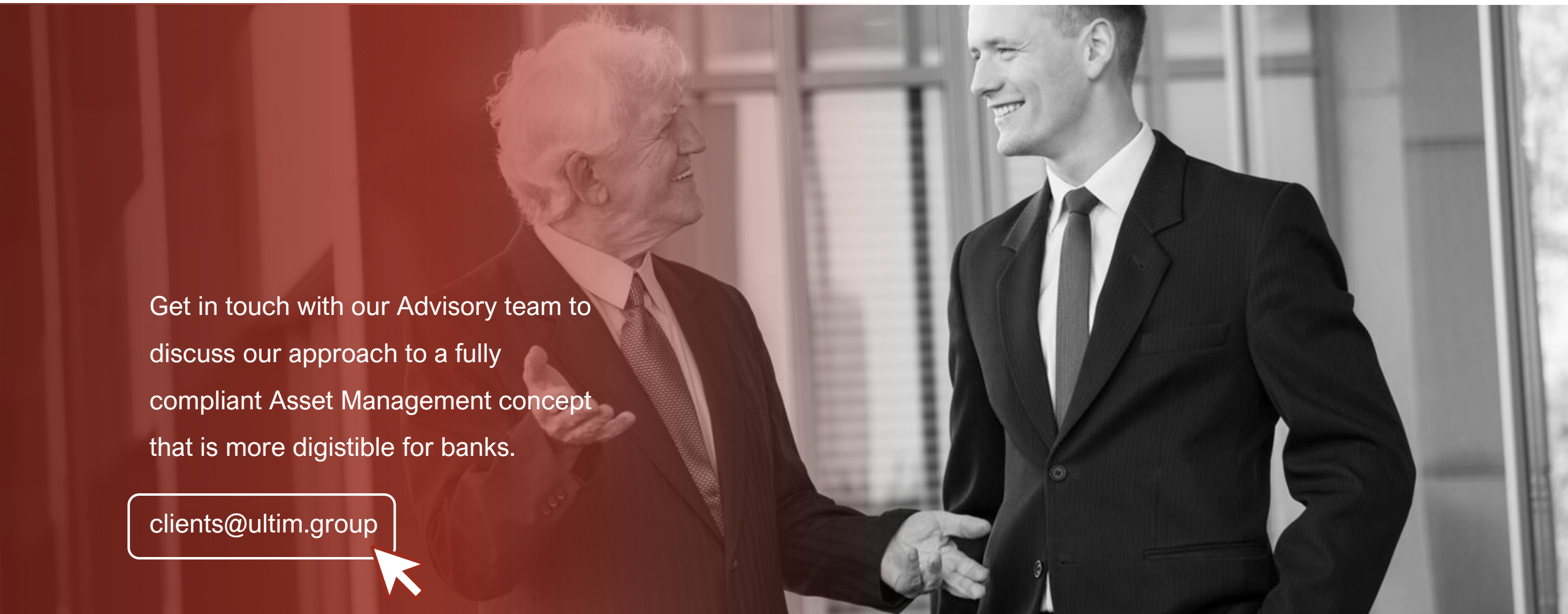
The Ultim approach of the capital protection trust is a worldwide acknowledged methodology for commercial and institutional portfolio securitization.

Based in England, Switzerland, the UAE, Hong Kong and the USA, Ultim can be understood as an international structuring partner and advisory firm for Institutional Clients, High Networth Individuals, Government-Agencies and Banks covering the total process of Securitization and generation spanning – grows oriented – Asset Management and Asset protection.

Ultim's structured finance division operates as the leading entity within the Ultim Group of companies at the structuring partner for securitization operations and „Bankable Securities“ and is interfacing the regulated financial markets as a submission agent for the registration of securities and financial insurance instruments.

The Ultim Asset Management model is based on the establishment of a consolidated Asset fundement, backing the overlay management by providing leverage through (structured) capital refinance. This serves as an excellent platform for the different Asset Management strategies, such as Real-Estate-, hedge-fund or LBO/MBO approaches.



A black and white photograph of two men in suits standing in front of a large window with a city view. The man on the left is older with white hair, and the man on the right is younger. They are both smiling and appear to be in conversation. The image is overlaid with a semi-transparent red filter.

Get in touch with our Advisory team to discuss our approach to a fully compliant Asset Management concept that is more digistible for banks.

clients@ultim.group



A publication of:

UTG
The Ultim Advisory Group
College House, 12nd
17 King Edwards Road, London, HA4 7AE
United Kingdom

Teaming up with:



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