

nance, a majority-owned subsidiary of Newmarket Capital that utilizes bitcoin in financing structures.

Unlike other lending companies that let clients borrow against bitcoin with a risk of liquidation in the event that bitcoin's price drops below a certain threshold, Newmarket Capital removes the risk and offers loan structures without a mark-to-market trigger.'

Unlike traditional loans, which often lock borrowers in with prepayment penalties or a make-whole, the Bank Street Court financing can be paid off at any time with no penalty. To allow for this outcome, the borrower and the lender align to share appreciation on the upside from the bitcoin over the life of the loan.

The longer the loan is outstanding, the greater the share of bitcoin appreciation that vests for the borrower, incentivizing borrowers to take a long-term view on the bitcoin.

Although the loan can be repaid at any time and the building released, the earliest that the bitcoin can be wound down is four years, in line with bitcoin's four-year rhythm. The loan carries a single-digit interest rate and has a maturity of 10 years."²

²Corva. F. (2024, November 25). *Newmarket Capital launches Battery Finance, bitcoin-collateralized loan strategy.* Bitcoin Magazine. <https://bitcoinmagazine.com/business/newmarket-capital-launches-battery-finance-bitcoin-collateralized-loan-strategy->