

Ladder Term Deposit:

a tailored solution to manage your investments

Take advantage of custom-made Ladder Term Deposits that align with your expenditure plans.

Time short clients tell us they want a secure, simple place for their funds. A solution to maximise returns whilst at the same time paying out regularly to match their cash burn from their latest raise. That's why we came up with the Ladder Term Deposit solution.

The trade-off between instant access and long dated term deposits is that often the interest rates available drive you to invest longer term for higher returns. SVB's Ladder Term Deposit solution provides the best of both worlds – a blend of short, medium and long-term term deposits with the knowledge that upcoming maturity exceeds your forecast burn.

If your monthly cash flow doesn't require the maturing term deposit, you can reinvest in the ladder and enhance your overall return, safe in the knowledge that another tranche will redeem shortly afterwards. Remember, you can't withdraw from the term deposit until the fixed date.

A smart solution aimed at clients who are cash-rich after funding rounds, with high confidence in their mid to long-term forecasting

Key Features



Configurable structure of terms and tiers which is unique to your needs.



Choice between a single blended interest rate and multiple, individual rates.



Option to reinvest maturing term deposits, fully or partially, in a new term of your choice. Benefiting from higher interest on longer terms.



Structured to support your cash flow forecast.



One application for multiple term deposits.



Available in GBP, EUR and USD.

The benefits of Ladder Term Deposits

- You choose:
 - terms of Ladder Term Deposit
 - number of tranches
 - blended or separate rates
- Ladder combines the benefit of liquidity and yield
- Maturing term deposit tranches can be reinvested if surplus to cash-flow needs
- SVB counterparty risk

Remember, you can't withdraw from the term deposit until the fixed date.

A typical application of Ladder Term Deposits

This example has the attributes of a typical SVB client.

Acme Inc. is a cash generative biopharma that recently issued an IPO in New York.

They have a British pound (GBP) cost base in the UK with an accurate 12-month forecast, a monthly cash burn rate of £5M and current deposits of c.£100M.

Acme Inc. needed monthly funding to meet their outflow and wanted to maximise interest on their strategic funds.

Given their aggressive growth plans, they didn't want to invest their entire raise for 12 months. They understood and accepted they wouldn't achieve long-term interest rates on the full amount.

Acme Inc. created a ladder with a blended rate to match their 12-month burn.

Through monthly tranches of £8M they invested

£96M over 12 months.

Acme Inc. used £5M of maturing tranches to cover monthly costs, leaving a £3M buffer to re-invest

into new high-yielding 12-month term deposits.

The Ladder Term Deposit received the blended rate on each monthly tranche which simplified initial reporting.

Term Deposit Information

Amount	Start Date	Maturity Date	Deposit Length	Interest rate
£8,000,000	10 August 2021	10 September 2021	31 Days	0.10%
£8,000,000	10 August 2021	11 October 2021	62 Days	0.11%
£8,000,000	10 August 2021	10 November 2021	92 Days	0.17%
£8,000,000	10 August 2021	10 December 2021	122 Days	0.18%
£8,000,000	10 August 2021	10 January 2022	153 Days	0.19%
£8,000,000	10 August 2021	10 February 2022	184 Days	0.25%
£8,000,000	10 August 2021	10 March 2022	212 Days	0.27%
£8,000,000	10 August 2021	11 April 2022	244 Days	0.29%
£8,000,000	10 August 2021	10 May 2022	273 Days	0.31%
£8,000,000	10 August 2021	10 June 2022	304 Days	0.33%
£8,000,000	10 August 2021	11 July 2022	335 Days	0.35%
£8,000,000	10 August 2021	10 August 2022	365 Days	0.37%

Total Amount: £96,000,000.00

Blended Equivalent Interest Rate: 0.29%

Contact us at www.svb.com/uk or email ukproductqueries@svb.com

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