

**ATTORNEYS, CPAs & OTHER ADVISERS**

Those who advise clients about legal, tax, accounting, investment and financial matters may wonder how their roles may intersect with the activity of S.Crow Collateral Corp. regarding an actual or potential transaction with the client. The answer, in summary, is that the adviser's role is the same as it would be for any other transaction which the client might consider. To say it another way, you are the adviser to your client. S.Crow Collateral Corp. is an opposite party.

**Dealer in Capital Assets**

In all that S.Crow Collateral Corp. does, it functions as a dealer in capital assets. As such, it enters into buying and selling transactions on its own behalf as a principal. It does not advise your client; that role remains entirely with you.

As a dealer in capital assets, S.Crow Collateral Corp. advocates buying and selling transactions in which it offers to engage, for profit. S.Crow Collateral

Corp. does not advocate strategies for its counterparties, for dealing with taxes, investments, business operations, accounting issues, financial matters or whatever. The transactions which S.Crow Collateral Corp. advocates are likely to have legal, tax, accounting, investment and financial consequences for those who sell to or buy from us. Advising in regard to those consequences remains entirely within your purview and responsibility.

# S.Crow Collateral Corp.

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S.Crow Collateral Corp. may well tell you and your client what we believe will likely be a legal, tax, accounting, investment or financial result or treatment if your client enters into a transaction with us, but to whatever extent we do so that is just our view of the matter, not advice to you or your client. Necessarily that must be so, because S.Crow Collateral Corp. is a principal which is looking out for its own interests.

## **Rulings of Governmental Agencies**

Advisers often ask us whether we have sought or obtained a ruling or decision by a governmental body or agency on this or that point within the adviser's scope of concern, about how the adviser's client would be treated if a contemplated transaction is consummated.

The answer is and always will be no. The reasons why we never seek rulings or decisions about how our counterparties would be treated are these: (1) S.Crow Collateral Corp. advocates a transaction for our own profit, not for how it should be treated by a governmental body with regard to someone else; (2) requesting a ruling or decision for some other party is that party's adviser's responsibility, so that the request can be framed however the party and the adviser think it should be framed; (3) our transactions are fact-specific, and the legal, tax and other effects may vary accordingly; (4) in the case of private letter rulings by the Internal Revenue Service, no one other than the one to whom the ruling is issued is allowed to rely upon it; (5) it is not the norm for a counterparty to seek a ruling or decision for the other principal in a transaction, and departure

from the usual would in itself raise questions; (6) the grounds on which S.Crow Collateral Corp. might seek a ruling or decision might well differ from the grounds on which our counterparty might want it to be; (7) S.Crow Collateral Corp. is authorized to seek rulings and decisions pertaining only to its own treatment, not someone else's; and (8) S.Crow Collateral Corp. is determined that it will continue to confine its activities to those of a dealer-principal, such as the role that has been explicitly recognized in the Internal Revenue Code throughout its history.

## **Disclaimer**

As a principal only, S.Crow Collateral Corp. does not act in the capacity of a broker, sales representative, investment adviser, or tax or legal adviser, does not sell or recommend any security; and does not accept any transaction fee or payment for transaction services. Neither S.Crow Collateral Corp. nor any of its officers or employees may or does provide tax, legal or investment advice. Interested parties should consult their legal, tax and investment advisers before participating in any transaction.

