



## ***JAM Announces Sale of Vertical Lend to KBC Financial Products***

August 22, 2007 – JAM Equity Partners, LLC (“JAM”), a private investment firm specializing in financial services companies, announced today the closing of the sale of Vertical Lend, Inc. (“Vertical Lend”) to KBC Financial Products (“KBCFP”), a wholly-owned subsidiary of Belgian-based KBC Bank NV. Financial details of the transaction have not been announced. The acquisition is expected to accelerate Vertical Lend’s objective to increase market share and brand recognition in the reverse mortgage lending market through its highly recognized Senior Lending Network. Vertical Lend is the fifth largest provider of home equity conversion mortgages (HECM). KBC Financial Products is a market-leading specialist in equities and equity, credit and fund-linked derivatives and structured credit products.

JAM and its affiliates invested \$5.75 million into Vertical Lend in June 2006 and an additional \$3.3 million in October 2006. Vertical Lend deployed the proceeds to rapidly grow its lead generation business, start a wholesale reverse mortgage operation and build supporting infrastructure.

“Our acquisition of Vertical Lend provides a tremendous opportunity for our company to participate in the growing reverse mortgage market,” said Thomas Korossy, chief executive officer of KBCFP. “Our strength in capital markets should enable Vertical Lend to provide the products and expanded distribution channels needed to broaden their offerings in the U.S.”

“We expect this synergistic relationship to produce a significantly positive change in the type of reverse mortgages that are being written today,” said David Peskin, chief executive officer of Vertical Lend. “KBCFP has the products and the financial strength, and we are a leader in marketing and distribution.”

“We invested into Vertical Lend with the objective of selling to a large banking organization interested in entering the reverse mortgage market,” said Mike Sekits, chief operating officer of JAM Equity Partners. “KBCFP will enable Vertical Lend to become a dominant participant in the reverse mortgage sector.”

### **About Vertical Lend**

Vertical Lend is one of the premier reverse mortgage services companies in the United States, offering originators complete lead-to-closed services through comprehensive marketing, lending, education and technology solutions. Vertical Lend is dedicated to building the reverse mortgage industry by fostering strong partnerships with originators and by providing outstanding consumer education. Through Vertical Lend’s national consumer education campaign, Senior Lending Network, Vertical Lend educates millions of Americans about the important benefits of reverse

mortgages and then refers interested consumers to qualified and experienced originators, who have access to Vertical Lend's wholesale reverse mortgage products, technology and education services. For more information, call 1-800-562-6755 or visit the company's website at [www.verticallend.com](http://www.verticallend.com).

### **About KBC Financial Products**

With offices in New York, London, Tokyo and Hong Kong, KBCFP is a wholly-owned subsidiary of KBC Bank NV. KBCFP's product range includes equities, convertible and high yield bonds, equity derivatives, fund derivatives and structured credit products. KBC Bank NV is a wholly-owned subsidiary of KBC Group NV, a large multinational banking and insurance group listed on Euronext Brussels. KBC Group NV, a multichannel banking, insurance and asset management group, is one of the leading financial institutions in Europe, focusing on Belgium and Central Europe, and catering to retail and private banking customers. For more information, visit the KBC Financial Products website at [www.kbcfp.com](http://www.kbcfp.com).

### **About JAM**

JAM Equity Partners, LLC is an affiliate of Jacobs Asset Management, an established, highly successful money manager with approximately \$225 million under management.

JAM Equity Partners was founded in May 2006 by Sy Jacobs, Bill Roy and Mike Sekits, who have a total of over 50 years of collective experience managing money and providing investment banking services within the financial services industry. Prior to founding Jacobs Asset Management in 1995, Sy Jacobs spent 12 years as a research analyst covering specialty financial services and bank stocks at Alex. Brown and Sons, Mabon Nugent, L.F. Rothschild and Salomon Brothers. Before joining JAM in 2003, Bill Roy was a financial services research analyst at Merrill Lynch, Trust Company of the West and Arco Investment Management. Prior to joining JAM in 2006, Mike Sekits was an investment banker with Sekits Capital, Bear Stearns, PaineWebber, Dean Witter Reynolds and The Shansby Group.

JAM Equity Partners, through its \$45 million private equity fund, JAM Special Opportunities Fund, LP, focuses primarily on the financial services industry and invests in three types of special opportunities:

- Investments in small to mid-sized, privately held financial services companies, including commercial and consumer finance, leasing, banking and financial technology.
- Investments in publicly traded, illiquid fallen-angels. Such companies will typically have market capitalizations of less than \$250 million and trade at deep discounts to long-term realizable value. JAM Equity Partners may seek opportunities to assist those companies in evaluating going-private transactions.
- Investment opportunities in assets such as loan portfolios or residual interests in performing or underperforming loan portfolios.

JAM Equity Partners welcomes the opportunity to review specific transactions and meet senior executives interested in identifying and participating in investments with JAM Special Opportunities Fund. See [www.jampartners.com](http://www.jampartners.com) for additional information.

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