Illustrative credit memorandum

MARA Holdings, Inc. | Case MARA-CR-001 | Information date: June 30, 2026

Hypothetical exercise. MARA is not represented as a Coinbase customer. The facility, collateral, Base location, policy limits, rating, and portfolio are fictional.

Recommendation

Conditionally approve a maximum $3.0 million commitment on the fictional $5.0 million, 12-month request. Do not fund until ownership, first-priority lien, enforceable control, and the Base-to-cash route are evidenced. If any item remains unresolved, decline.

Cap	Amount	Basis
Obligor	$7.500m	Illustrative public-information judgment
Collateral	$3.046m	$3.8706m proceeds / 1.25x coverage - $0.05m accrued
Single-name	$6.000m	Illustrative policy
Concentration	$4.000m	Illustrative shared-risk capacity
Recommended	$3.000m	Rounded below the binding collateral cap

Credit view

MARA reported $421.3 million of cash and cash equivalents at June 30, 2026. About 30% was held by majority-owned Exaion and designated for its operations over the following year. MARA also reported 35,577 bitcoin with a $2.1 billion fair value: 4,742 loaned, 4,528 pledged, and 26,307 described as unrestricted (SRC-001). None is assumed to secure this facility.

MARA reported about $2.4 billion of debt after note repurchases. Identified near-term items included a $150 million line of credit, $48.1 million of December 2026 notes, and $291.6 million classified current because holders can require repurchase in June 2027 (SRC-001). The 2025 Form 10-K reported $802.7 million of net operating cash use (SRC-002).

A static public-data bridge leaves **$96.81 million** after designated cash, the line of credit, and December 2026 notes. Adding the June 2027 holder-put sensitivity produces **negative $194.79 million**. This is not a borrowing-entity forecast and does not assert that the put will be exercised.

The primary repayment source remains unproven. The draft assumes unrestricted operating liquidity and working-capital cash generation, not collateral liquidation. Funding requires a current cash forecast, facility purpose, legal-entity cash map, and debt-service schedule.

The recovery view and approval view use different exposure bases. If the full $5.0 million request were drawn, the $5.05 million exposure including accrued amount would exceed base eligible proceeds by **$1,179,400**. The recommended $3.0 million limit implies $3.05 million of pro forma exposure and an **$820,600 coverage surplus**. This distinction prevents the full-request shortfall from being read as the exposure created by the smaller recommendation.

Illustrative collateral waterfall

Step	Calculation	Amount
Quoted value	4.0m fictional USDC x $1.00	$4,000,000
Stressed gross	$4.0m x 98%	$3,920,000
Execution cost	$3.920m x 0.50%	($19,600)
Delay cost	$3.920m x 25 bps	($9,800)
Fixed cost	Assumed	($20,000)
Available proceeds	Stressed value less costs	$3,870,600
Collateral cap	$3.8706m / 1.25x - $0.05m accrued	$3,046,480

Conditions, monitoring, and reversal

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Conditions precedent

1. Verify beneficial ownership, no prior lien, first-priority security, and enforceable lender control over the fictional collateral lot.

2. Test the read-only custody-to-liquidation-to-bank route. Chain confirmation alone does not establish repayment availability.

3. Receive a 13-week cash forecast, use-of-proceeds schedule, legal-entity cash map, and complete debt-service schedule.

4. Maintain at least 1.25x stressed coverage and prohibit collateral substitution without a new case version.

5. Confirm the fictional single-name and shared-risk limits before funding.

Principal risks and monitoring

Eight post-close rules distinguish calculated projections from unavailable private evidence. The design is not active monitoring or evidence of compliance.

Metric	Threshold / state	Breach action
Collateral coverage at recommended limit	>= 1.25x; 1.269x	Block new draws; require cure or collateral top-up before further funding.
Collateral ownership, priority, and control	all verified; 9 blocking conditions outstanding	Assign zero collateral credit and block funding.
Base-to-cash route test	<= 4 hours end to end; not measured — private evidence required	Suspend availability until a successful route test.
Borrowing-entity unrestricted cash	>= $25 million; not measured — private evidence required	Freeze incremental availability and reassess the obligor cap.
Operating cash generation variance	no >20% adverse variance to approved forecast; not measured — private evidence required	Refresh rating factors and repayment analysis.
Additional secured debt or lien creation	$0 without lender consent; not measured — private evidence required	Block new draws and assess default or waiver path.
USDC collateral concentration headroom	>= $0; $1,000,000.00	Reject the draw or reduce the facility limit.
Financial and collateral reporting delivery	within 15 business days after month end; not measured — private evidence required	Block new draws until the reporting package is complete.

Reversal evidence

Increase toward $5.0 million only if a refreshed cash forecast supports repayment without collateral, or if more eligible collateral raises the binding cap without breaching another limit. Decline if ownership, priority, control, or route evidence cannot be obtained, or if combined stress makes the conditional limit inconsistent with portfolio capacity.

Strongest objection

The $3.0 million result is generated by fictional collateral. A cleaner committee action is to decline pending real repayment-capacity diligence, then assess the full request without manufacturing precision from a synthetic structure. See the opposing memorandum.

Evidence and limits

SRC-001 is MARA's June 30, 2026 Form 10-Q. SRC-002 is MARA's 2025 Form 10-K. All lending inputs are ASM-C assumptions. The model is a portfolio exercise, not Coinbase policy, legal advice, a calibrated default model, or a real credit recommendation.