CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM
OPERATING AGREEMENT
SUBSCRIPTION AGREEMENT

SUGO BUILD YOUR OWN PORTFOLIO LLC

A Delaware Limited Liability Company

Limited Liability Company Membership Interests
Of a Customizable Fund
An Offering Under Regulation D, Rule 506(c)
Exempt from Registration Pursuant to Section 3(c)(1)
of the Investment Company Act of 1940

Minimum Investment: $100,000.00
Maximum Investment: 19% of Total Offering

Total Offering: $100,000,000.00

Manager:
SuGo Build Your Own Portfolio Manager LLC
8 The Green, Suite B, Dover, DE 19901

Last Updated:
February 4, 2025
(Rev. 1.0)

Investor Name

Date Received

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DISCLAIMER

The information and possible opportunity described in this Confidential Private Placement Memorandum ("***PPM***") is being made to ***accredited investors*** who by reason of their business and financial experience or specialized knowledge are capable of making investment decisions of this type as such term is defined in Regulation D under the Securities Act of 1933 as amended (the "***Securities Act***") and does not constitute an offer or solicitation of an offer in any jurisdiction in which such offer or solicitation is not authorized. Before any investment consideration, each person must be determined qualified and receive a PPM.

Any analysis presented herein is illustrative in nature, limited in scope, based on best available information and has limitations to its accuracy. Issuer recommends that potential and existing investors conduct thorough investment research of their own, including a detailed review of the offering documents and public information that may be available and consult a qualified investment advisor. The information upon which this material is based was obtained from sources believed to be reliable and reasonable efforts have been made to independently verify the same, but Issuer cannot guarantee its accuracy.

Any opinions or estimates constitute Issuer's best judgment as of the date of publication and are subject to change without notice. Statements, projections and examples made in this PPM and/or any accompanying financial projections should be considered forward-looking and subject to various substantial risks and uncertainties. Such forward-looking statements and/or projections are based on management's beliefs and assumptions regarding information currently available and are made pursuant to the "safe harbor" provisions of federal securities laws. The Company's actual performance and results could differ materially from those expressed in the forward-looking statements and/or projections due to certain risks and uncertainties that could materially impact the Company in an adverse fashion and are only predictions of future results, and there is no assurance the Company's actual results will not materially differ from those anticipated in these forward-looking statements and projections.

INTERESTS ARE HIGHLY SPECULATIVE AND AN INVESTMENT IN THE OFFERING INVOLVES A HIGH DEGREE OF RISK. INVESTORS SHOULD BE ABLE TO WITHSTAND THE TOTAL LOSS OF THEIR ENTIRE INVESTMENT. THE COMPANY IS OFFERING THE INTERESTS SOLELY TO INVESTORS THAT SATISFY SUITABILITY STANDARDS, INCLUDING THE ABILITY TO AFFORD A COMPLETE LOSS OF THEIR INVESTMENT (SEE *RISK FACTORS*).

INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS AND ARE BEING OFFERED IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THESE LAWS.

INTERESTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC") OR ANY STATE REGULATORY AUTHORITY NOR HAS THE SEC OR ANY STATE REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PPM. REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

INTERESTS MAY NOT BE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS OR AN OPINION OF COUNSEL IN FORM AND SUBSTANCE ACCEPTABLE TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

PAST PERFORMANCE DISCLAIMER

Manager prior performance is not necessarily indicative of the performance that might be achieved by the Fund or any individual investment inside the Fund. Information about prior investments provided in this PPM, if any, refers to the prior investment experience of management and its affiliates. Manager track record does not necessarily imply any level of future performance a Member may obtain inside of the Customizable Fund. Manager's prior investments were made under different market conditions than those that currently exist or will exist. The future performance of the Fund will depend on future events, individual Member selection of investments and the performance of those individual investments and is, therefore, inherently uncertain. Past performance cannot be relied upon to predict future events for a variety of reasons, including, without limitation, varying business strategies, different investments, local and national economic circumstances, supply and demand characteristics, degrees of competition and other circumstances pertaining to the capital markets.

WE ARE NOT YOUR FINANCIAL ADVISOR

Manager does not act as your financial advisor or offer financial or investment advice. To the contrary, investors are encouraged to meet with their advisors to discuss and to ask questions and receive answers concerning the terms and conditions of this Offering.

WE DO NOT CHARGE ASSET MANAGEMENT FEES

The Company does not charge asset management fees for money sitting in the Fund not yet allocated to a specific investment. Manager does not charge asset management fees for allocating capital to specific investments.

Manager may receive fees, either directly or indirectly, for specific investments based on the work involved in each investment.

Fees would likely include but not be limited to finding deals, deal analysis, guarantee loans, putting up risk money, overseeing project management, bookkeeping, package preparation, coordination of service providers, acquisition fees, due diligence and/or financing fees, loan origination fees, loan servicing fees or other types of fees. Manager will disclose all fees in writing before Member capital is allocated to a specific investment. It is impossible to provide all investment term and fee possibilities until there is a specific investment upon which to outline them.

YOU MAKE YOUR OWN INVESTMENT DECISIONS

Manager will be structuring many different investment opportunities each with its own investment terms. In order to keep Members fully informed, Manager will provide a written disclosure for the terms of each individual investment. Investors will decide which investments they want to allocate their capital. Investors maintain complete control of the investment decision and will be required to sign an *Individual Investment Disclosure* to allocate their capital to a specific investment.

CONFIDENTIAL INFORMATION & SEC DISCLAIMER

The SEC has not passed on the merits of or given its approval to the Interests, the terms of the Offering or the accuracy or completeness of any Offering materials. Prior to making any decision to contribute capital, all Investors must review and execute a PPM and related Offering documents. The Interests are subject to legal restrictions on transfer and resale and Investors may not be able to resell their Interests.

This PPM contains privileged and confidential information and unauthorized use of this information in any manner is strictly prohibited. Your failure to keep this presentation strictly confidential may cause the Company to incur actual damages of an indeterminable amount, possibly subjecting you to legal liability. If you are not the intended recipient, please notify the sender immediately.

This PPM is for informational purposes and not intended to be a general solicitation or a securities offering of any kind. The information in this Offering is available to ***accredited investors*** only and is furnished for your use as a potential Investor in the Company. The information contained herein is from sources believed to be reliable. However, no representation by the Company, either expressed or implied, is made as to the accuracy of any information on this Offering and all Investors should conduct their own research to determine the accuracy of any statements made. An investment in this Offering is a speculative investment and subject to significant risks and therefore Investors are encouraged to consult with their personal legal and tax advisors. Neither the Company, nor their representatives, officers, employees, affiliates, sub-contractor or vendors provide tax, legal or investment advice. Nothing in this document is intended to be or should be construed as such advice.

FINANCIAL DISCLAIMER

This PPM may contain future financial forecasts. Any estimated projections are based on numerous assumptions and hypothetical scenarios and Company explicitly makes no representation or warranty of any kind with respect to any financial forecast delivered in connection with the Offering or any of the assumptions underlying them. Further, this PPM may contain performance data that represents past performances. Past performance does not guarantee future results. Current performance may be lower or higher than any performance data presented. Company further makes no representations or warranties that any Investor will, or is likely to, achieve profits similar to any proformas or other financial projections.

Potential Investors and other readers are also cautioned that any forward-looking statements are predictions only based on current information, assumptions and expectations that are inherently subject to risks and uncertainties that could cause future events or results to differ materially from those set forth or implied by any forward-looking statements. Any forward-looking statements can be identified by the use of forward-looking terminology, such as “may,” “will,” “seek,” “should,” “expect,” “anticipate,” “project, “estimate,” “intend,” “continue” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Any forward-looking statements are only made as of the date of this PPM and Company undertakes no obligation to update any forward-looking statements to reflect subsequent events or circumstances.

This Confidential Private Placement Memorandum ("***PPM***") for a Customizable Fund has been prepared on a confidential basis and is intended solely for the use of the recipient named on the cover hereof in connection with this offering.

Each recipient, by accepting delivery of this PPM, agrees not to make a copy of the same or attempt to change, alter or to divulge the contents hereof to any person other than a legal, business, investment or tax advisor in connection with obtaining the advice of any such persons with respect to this offering.

This PPM relates to the offering ("***Offering***") of Limited Liability Company interests ("***Interests***") of **SuGo Build Your Own Portfolio LLC** a Delaware Limited Liability Company ("***Fund***" and/or "***Company***" and/or "***Issuer***"). **SuGo Build Your Own Portfolio Manager LLC**, a Delaware Limited Liability Company, serves as Manager of the Company ("***Manager***").

Interests are suitable only for ***accredited investors*** ("***Investors***") (a) who do not require immediate liquidity for their investments, (b) for whom an investment in the Company does not constitute a complete investment program and (c) who fully understand and are willing to assume the risks involved in the Company's investment program.

The Company's investment practices, by their nature, involve a substantial degree of risk. See *RISK FACTORS: Strategy Risks and Management Risks.*

The Offering is made only to ***accredited Investors***, see *QUALIFICATION OF INVESTORS*.

Investors should carefully consider the material factors described in *RISK FACTORS*, together with all information in this PPM prior to purchasing any Interests.

INTERESTS OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE NOR HAS THE SEC OR ANY SUCH AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PPM. REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

INTERESTS ARE BEING OFFERED PURSUANT TO EXEMPTIONS FROM REGISTRATION WITH THE SEC AND STATE SECURITIES REGULATORY AUTHORITIES; HOWEVER, NEITHER THE SEC NOR ANY STATE SECURITIES REGULATORY AUTHORITY HAS MADE AN INDEPENDENT DETERMINATION THAT INTERESTS OFFERED HEREIN ARE EXEMPT FROM REGISTRATION.

THE INFORMATION IN THIS PPM IS GIVEN AS OF THE DATE ON THE COVER PAGE, UNLESS ANOTHER TIME IS SPECIFIED.

INVESTORS MAY NOT INFER FROM EITHER THE SUBSEQUENT DELIVERY OF THIS PPM OR ANY SALE OF INTERESTS THAT THERE HAS BEEN NO CHANGE IN THE FACTS DESCRIBED SINCE THAT DATE.

This PPM does not constitute an offer to sell or the solicitation of an offer to buy the Interests by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

No offering literature or advertising in any form other than this PPM and the agreements and documents referred to herein shall constitute an Offering of the Interests.

No person has been authorized to make any representation with respect to the Interests except the representations contained herein. Any representation other than those set forth in this PPM and any information other than that contained in documents and records furnished by the Company upon request, must not be relied upon.

This PPM is accurate as of its date and no representation or warranty is made as to its continued accuracy after such date.

Sales of Interests may be made only to Investors deemed suitable for an investment in the Company under the criteria set forth in this PPM. The Company reserves the right, notwithstanding any such offer, to withdraw or modify the Offering and to reject any subscriptions for the Interests in whole or in part for any or no reason.

Interests have not been registered under the Securities Act and have not been registered under the securities laws of any state but are being offered and sold for purposes of investment and in reliance on the statutory exemptions contained in Sections 4(2) and/or 3(b) of the Securities Act and in reliance on applicable exemptions under state securities laws.

Interests may not be sold, pledged, transferred or assigned except in a transaction which is exempt under the Securities Act and applicable state securities laws or pursuant to an effective registration statement thereunder or in a transaction in compliance with the Securities Act, applicable state securities laws, this PPM and the Company's Limited Liability Company Operating Agreement ("***Operating Agreement***").

THERE IS NO PUBLIC MARKET FOR THE INTERESTS AND NONE IS EXPECTED TO DEVELOP IN THE FUTURE.

The Company is not registered as an investment company under the Investment Company Act of 1940, as amended (the "***Investment Company Act***"), in reliance upon Section 3(c)(1) thereof.

As a result of its reliance upon Section 3(c)(1), Interests may not at any time be owned by more than 100 beneficial owners (as determined under the Investment Company Act).

Manager does not act as your financial advisor or offer financial or investment advice.

To the contrary, Investors are urged to meet with their advisors to discuss and to ask questions and receive answers concerning the terms and conditions of this Offering.

If Manager can help obtain any additional information for your financial advisor, to the extent Manager or its delegate possess such information or can acquire it

without unreasonable effort or expense necessary to verify the information contained herein, it will do so.

ERISA PLAN AND IRA INVESTORS

IN CONNECTION WITH THE EMPLOYEE RETIREMENT IN INCOME SECURITY ACT OF 1974 ("***ERISA***") OR INDIVIDUAL RETIREMENT ACCOUNT ("***IRA***") INVESTORS, MANAGER DOES NOT:

(I) ACT OR REPRESENT THAT IT IS ACTING IN A FIDUCIARY CAPACITY TO INVESTORS AND
(II) PROVIDE INVESTMENT ADVICE OR A RECOMMENDATION THAT AN INVESTMENT IN THE COMPANY IS SUITABLE, ADVISABLE OR APPROPRIATE FOR INVESTORS, WHETHER GENERALLY OR IN LIGHT OF INVESTORS PARTICULAR CIRCUMSTANCES.

FURTHERMORE, MANAGER HAS A FINANCIAL INTEREST IN MANAGING THE COMPANY AND ITS INTERESTS MAY CONFLICT WITH THE INTERESTS OF ERISA AND IRA INVESTORS.

IN MAKING AN INVESTMENT DECISION, ERISA AND IRA INVESTORS MUST RELY ON THE RECOMMENDATION OF AN INDEPENDENT PLAN FIDUCIARY OR THEIR OWN EXAMINATION OF THE ISSUER, THE TERMS OF THE OFFERING AND THE RISKS OF AN INVESTMENT IN THE COMPANY.

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION ("*NASAA*") UNIFORM DISCLOSURE

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

INTERESTS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS PPM. REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

SECURITIES OFFERINGS UNDER RULE 506 ARE COVERED SECURITIES UNDER FEDERAL LAW, WHICH PREEMPTS STATES FROM SUBSTANTIVELY REGULATING RULE 506 OFFERINGS UNDER STATE SECURITIES OR BLUE-SKY LAWS.

DESPITE THIS FEDERAL PREEMPTION, STATES MAY REQUIRE THE FILING OF A FORM D, CONSENT TO SERVICE OF PROCESS AND THE PAYMENT OF A FILING FEE. STATES REMAIN AUTHORIZED TO ENFORCE ANTI-FRAUD PROVISIONS AND REGULATE FINANCIAL INTERMEDIARIES.

FLORIDA RESIDENTS

IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA AND YOU PURCHASE INTERESTS HEREUNDER, YOU MAY VOID SUCH PURCHASE EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY YOU TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER NOTICE, WHICHEVER OCCURS LATER.

OVERVIEW

SuGo Build Your Own Portfolio LLC was organized as a Delaware Limited Liability Company (**"*Fund*"** and/or **"*Company*"** and/or "***Issuer***") on January 16, 2025, to operate as a private alternative investment company.

Company seeks current income, dividends, capital gains and capital appreciation through investing in alternative investments including real estate as well as any asset classification which Manager determines can provide an attractive risk-return profile.

Company may provide residential and commercial real estate loans. Company may further invest in other alternative investments which include debt instruments the details of which will be included in a separate Individual Investment Disclosure.

FUND STORY

At SuGo Capital we offer a breadth of investments that allow Investors to allocate appropriately for their cash flow, tax, appreciation and wealth preservation goals.

SuGo Capital investors typically invest in four to five investments with SuGo Capital. As a result, they have five sets of paperwork to sign, five K1s per year and as they grow with SuGo Capital, these numbers get larger.

With the SuGo Build Your Own Portfolio Fund, Investors will be able to have access to the same quality and diversification of deals, but with one set of documents to sign and one K1 each year!

In many cases, Sarah Sullivan will be able to negotiate stronger terms for SuGo investors coming into the various offerings with this fund of fund structure.

Each investment by the Company is an "***Investment***" and together ***"Investments***". Investments may be through specific partners specializing in a targeted asset class collectively called "***Suppliers***", including Investments listed on and offered through online platforms and crowdfunding portals or offline.

The written disclosure of each individual investment will be provided by the Company to the Investor in the *Individual Investment Disclosure* prior to allocating their capital to such Investment.

SuGo Build Your Own Portfolio Manager LLC, a Delaware Limited Liability Company, serves as Manager ("***Manager***") of the Company. Under the Company's Operating Agreement, which may be amended, supplemented or revised, Manager is primarily responsible for the management of the Company.

The office of Manager is located at 8 The Green, Suite B, Dover, DE 19901 and its telephone number is 415-209-5812.

Accredited Investors that join the Company are ***"Members"***. Managers that join the Company are "***Manager-Members***". Manager-Members and Members together are ***"Fund Contributors"***.

The Company will establish and maintain electronically a capital account ("***Capital Account***") for contributions made to the Company ("***Capital Contributions")*** and a series account (each a "***Series Account***" or "***Series***") for each Investment made by the Company.

The Company has an internal and virtual accounting mechanism called a cash balance account ("***Cash Balance Account***"). When a Fund Contributor contributes capital to the Company, it will be initially designated to that Fund Contributor's Cash Balance Account. Each Fund Contributor maintains a separate Cash Balance Account in the Company. When Member capital is allocated to an investment, it will be transferred from the Cash Balance Account to that Series Account.

THESE ACCOUNTS ARE VIRTUAL AND NOT SEPARATELY MANAGED ACCOUNTS. When Fund Contributors receive distributions from an Investment, those distributions will be returned to the Cash Balance Account for that Fund Contributor.

The Company also has an internal accounting mechanism for each Investment based on the issuance of Units. Each Investment will have its own unique set of Units. The value of one (1) Unit equals (1) Unit of Interest in an individual Investment.

All Units may be initially allocated to Manager, in Manager's sole discretion.

The individual investments will be designated as Fixed or Continuous. Fixed investments ("***Fixed Investments***") are Company investments that are of fixed size; continuous investments ("***Continuous Investments***") are investments where the Company may add or remove capital over time.

For Fixed Investments, Units may be initially allocated to Manager until reallocated to Members, in Manager's sole discretion. For Continuous Investments, Units are allocated to Fund Contributors as their capital is allocated to that investment.

Capital Contributions are recorded in Capital Accounts. At Fund Contributor's direction, Manager allocates capital to Units in one or more Investments, which are recorded in the Fund Contributor's Series Account.

For Fixed Investments, the Units allocation process will be done until all Units are allocated to Fund Contributors for each Investment based on their individual allocation of capital for that Investment. In some cases, for Fixed Investments, Manager may invest its own capital into a Fixed Investment until additional Member capital is available to be allocated to that investment ("***Backfill***"). In that case, Manager will receive a pro-rata share of future distributions based on the time its capital was invested. Exhibit B of the Operating Agreement provides further details on Backfill.

Manager may also decide to co-invest in an Investment and retain a certain number of Units for Manager-Member. Manager's executives may also have individual investment accounts in the Company where they may co-invest with other Members.

For Fixed Investments, after all Units are fully allocated to Fund Contributors, such Investment shall be closed. Unlike a traditional pooled investment vehicle, Company Investments will not be allocated pro rata among all Members but will be allocated to Fund Contributors on an as available basis, as determined by Manager. For Continuous Investments, Manager has full discretion on if it will make available new Units for allocation and may stop offering new Units for allocation at any time.

For any given Investment, a ***"Unitholder"*** is defined as any Manager or Member that has or previously had an allocation of Units.

Members in the Company have the option to 1) select individual Investments to participate in if there are Units available, or 2) direct Manager to automatically allocate (***"Auto-Allocate"***) their capital based on agreed upon terms between Manager and instructions from Member. Auto-Allocate is a convenience provided by Manager whereby Members provide prior approval to Manager to make allocations into Investments per written instructions.

For some Continuous Investments, Members may be allowed or required to reinvest their earnings in that investment automatically. If Manager has selected this as an option for a particular investment, all Members will either be allowed or may be required to automatically reinvest their distributions from that investment. This is called reinvestment of earnings (***"Reinvestment"***). Reinvestment of earnings will be disclosed as part of a Continuous Investment's disclosure documents. Based on the Investment, Manager may be restricted from a withdrawal of capital for a certain period of time. In those cases, a Member will not be able to withdraw any distributions from that investment until that certain period of time is completed.

Manager does not provide financial or investment advice to Members. Manager is not an Investment Advisor Representative to Members. Members should work directly with their personal financial advisers or investment advisers to establish their investment strategy and prior to selecting individual Investments, selecting investments with a reinvestment option or requesting Auto-Allocate option.

The Company is presently accepting subscriptions from a limited number of ***accredited Investors*** (as

described in *SUMMARY OF KEY TERMS and QUALIFICATION OF INVESTORS*), in minimum amounts of **$100,000.00**.

The Company will generally accept Capital Contributions on any day of any calendar month or at any other time Manager chooses to accept such contributions.

Members are not subject to an asset management fee ("***Asset Management Fee***") if funds are in the Cash Balance Account but not yet committed to a Series Account (see ***CAPITAL ACCOUNT AND SERIES ACCOUNT)***. Once funds are committed to a Series Account, Manager will receive compensation.

Company executives may receive service and/or executive fees for specific investments based on the work involved in the investment. Fees would likely include but not be limited to finding deals, deal analysis, guarantee loans, putting up risk money, overseeing project management, bookkeeping, package preparation, coordination of service providers, acquisition fees, due diligence and/or financing fees, loan origination fees, loan servicing fees or other types of fees.

Manager will disclose all fees in writing before Member capital is allocated to a specific investment. It is impossible to provide all investment term and fee possibilities until there is a specific investment upon which to outline them.

Members may also be subject to other fees that constitute executive compensation to Manager.

Provided sufficient cash is available in the Cash Balance Account and no other withdrawal restrictions have been imposed by Manager, such as the Gate, Members will generally be permitted to withdraw capital from the Cash Balance Account based on any certain time period that may have been imposed.

THESE ARE HIGHLY SPECULATIVE AND ILLIQUID INTERESTS, WHICH INVOLVE A HIGH DEGREE OF RISK. ONLY THOSE INVESTORS WHO CAN HOLD INTERESTS FOR AN INDEFINITE PERIOD OF TIME AND BEAR THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD INVEST IN THESE INTERESTS.

INVESTOR PORTAL

Members will register and have access to an Investor Portal, which is powered by Avestor, the Platform Technology Provider ("*Platform*").

Avestor is a Portland, Oregon based software and services company that has developed the specific technology to enable customizable funds.

The PPM and Operating Agreement are designed to align with the technology and how it works.

The Platform requires Members to complete their personal profile, complete an account profile for the account they will be investing with, upload documents for Know Your Customer & Anti-money Laundering (KYC/AML) requirements and provide proof of accreditation. These are requirements to ensure that the Company is in compliance of SEC requirements.

Customizable funds provide the following capabilities:

Offering flexibility. Manager can offer and Fund Contributors can allocate their capital to a variety of different types of investments, such as debt investments and equity investments or a combination of both.

Investment fractionalization. Investment opportunities will be fractionalized for Members. For example, you can fractionalize a larger equity investment at a higher price per slice while a smaller debt investment can be fractionalized at smaller prices per slice all within the same fund.

Custom Member portfolios. The Platform allows Members to allocate capital to specific investments to build custom portfolios inside of a single fund.

Simplified Taxes. Members receive income and capital gains for only those investments they participate in and with a consolidated statement, receive a single K-1, reducing costs.

Backfill investments to free up sponsor capital. The Company will have the ability to pre-fund and close investments using its own capital and then free up their capital at any time as additional Member capital comes in. Investments are pro-rated based on both percent of allocation and time of allocation.

Raise capital on a continuous basis. With this fund model, Sponsors can start raising capital parallel to an investment being finalized. Sponsors can also raise capital on a continuous basis from active Investors.

INVESTMENT OBJECTIVE AND STRATEGY OVERVIEW

Company seeks current income, dividends, capital gains and capital appreciation through investing in alternative investments including real estate as well as any asset classification which Manager determines can provide an attractive risk-return profile.

Company may provide residential and commercial real estate loans. Company may further invest in other alternative investments which include debt instruments the details of which will be included in a separate Individual Investment Disclosure.

FUND STRATEGY

Investments can include but are not limited to debt and equity in real estate (apartments, mobile home parks, industrial, storage units, etc.) and opportunistic alternative asset opportunities including but not limited to forex, crypto, new business ventures, cash flowing businesses, credit validation, litigation debt, etc.

The Company may make investments in all 50 U.S. States or outside of the United States. The length of each Investment varies. Some Investments will remain liquid and some are projected to be illiquid for years from Investment start date.

PLAN OF DISTRIBUTION AND USE OF PROCEEDS; CASH EQUIVALENTS

The Company, without limitation, may hold cash or cash equivalents, including but not limited to certificates of deposit and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation ("***FDIC***").

If Manager determines there are no suitable investments, Member capital may be held in cash and cash equivalents. Member distributions from investments may also be held in cash or cash equivalents. Members will not receive interest income on cash in Capital Accounts unless Manager exercises its option, in its sole discretion, to create an Investment that enables Members to receive interest on cash and Member participates in that investment option.

BORROWING

Manager may utilize leverage as a part of the Company's investment program. To the extent the Company makes investments with borrowed funds, its net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. The level of interest rates generally, and the rates at which such funds may be borrowed, could affect the operating results of the Company.

If the Company obtains a credit facility, Manager's investment discretion may be subject to certain limitations prior to and/or following an event of default. For example, pursuant to the terms of the credit facility, Company trading may have to abide by certain formulas or Manager may have to obtain lender consent to engage in some or all transactions while credit facility is outstanding.

After the occurrence of an event of default (whether because of nonpayment or otherwise) it is likely that, among other consequences, lender would assume total control of the asset in the Company, the Company's assets and/or trading activities and no distributions could be made or withdrawals effected without lender consent.

DESCRIPTION LIMITS OF INVESTMENT PROGRAM

Manager is not limited by the Fund Strategy or investment program, which is a strategy as of the date of this PPM only.

Manager has wide latitude to invest Company assets, to pursue any particular strategy or tactic or change the emphasis without obtaining Member approval, although Manager will only cause a material change to the Company investment strategy already in process and agreed to with the consent of a majority of Members in each investment in which such change will occur unless it is for the entire Fund and all Investments.

Except as specifically provided herein, the investment program imposes no significant limits on ability to borrow money or concentration of Investments.

The foregoing description is general and is not intended to be exhaustive. Investors must recognize there are inherent limitations on all descriptions of investment processes due to the complexity, confidentiality and subjectivity of such processes. In addition, the description of virtually every investment strategy must be qualified by the fact that investment approaches are continually changing, as are the markets invested in by Manager.

There is no assurance the Company will achieve its investment objective or avoid substantial losses. Investors should not invest in the Company with the expectation of sheltering income.

Investors are urged to consult with their personal advisors before investing in the Company. Because risks are inherent in all Investments in which the Company engages, there are no assurances the Company investment objectives will be realized.

USE OF PROCEEDS

The Company may use Offering proceeds to fund all expenses related to the completion of this Offering, including without limitation: Avestor setup and monthly Platform fees, legal services fees, entity formation, blue sky filings and other expenses associated to starting and operating the Company. The Company may utilize a portion of proceeds raised for a specific investment to compensate Manager for its efforts associated with a specific investment.

The Company may also hold back a portion of the proceeds for Fund expenses and/or reserves to pay for future Fund operating expenses. After completion of all fees and holdbacks, the remainder to implement the investment objective and strategy overview**,** seeking current income, dividends, capital gains and capital appreciation through investing in real estate investments or any other type of investment which in Manager's opinion can achieve reasonable investment returns regardless of the sector.

The details of Fund expenses associated with specific investments will be outlined in the *Individual Investment Disclosures* and Fund level fees and expenses will be reported to Members through Fund financial statements. If Manager intends to use any Fund money before it is invested in an individual Investment, Manager must disclose that to Members in writing.

INDIVIDUAL INVESTMENT DISCLOSURE

Manager will be structuring many different investment opportunities each with its own investment terms. In order to keep each Member fully informed, Manager will provide a written *Individual Investment Disclosure*. This disclosure can be found in the Investor Portal.

Each *Individual Investment Disclosure* must be read together with this PPM and all Risk Factors contained herein. The *Individual Investment Disclosure* is a continuation and a part of this PPM; together the PPM, Risk Factors, Subscription Agreement and *Individual Investment Disclosure* all become part of each Offering and each separate *Individual Investment*.

Manager may receive fees for specific investments based on the work involved in the investment. Fees would likely include but not be limited to finding deals, deal analysis, guarantee loans, putting up risk money, overseeing project management, bookkeeping, package preparation, coordination of service providers, acquisition fees, due diligence and/or financing fees, loan origination fees, loan servicing fees or other types of fees disclosed.

Manager will disclose all fees in writing before Member capital is allocated to a specific investment.

It is impossible to provide all investment term and fee possibilities until there is a specific investment upon which to outline them.

***Individual Investment Disclosure* - Issues Manager Will Consider**

Manager understands the importance of thorough and accurate disclosures in the *Individual Investment Disclosure*, especially when it comes to investments, particularly property or project-specific investments made by this Customizable Fund.

If Manager invests in another Sponsor/Supplier Deal, Manager will provide in the Investor Portal all of the Sponsor/Supplier Individual Investment Due Diligence for Member access in making their investment decision into that Individual Investment.

If applicable, Manager will include additional risk factors in each *Individual Investment Disclosure* and may include any or all of the disclosures on the below list in the *Individual Investment Disclosure* if they are not sufficiently addressed in this PPM:

1. **Local Regulatory & Compliance Risks**: Any regulations, laws or restrictions specific to the location or jurisdiction of the property or investment.
2. **Environmental & Zoning Concerns**: Disclosures related to environmental hazards, zoning restrictions or upcoming zoning changes.
3. **Title & Ownership Details:** Confirmations regarding clear title, any past disputes or litigations or other related encumbrances.
4. **Third-party Agreements & Contracts:** Mention of any agreements or contracts with third parties that might impact the investment, such as leases, service agreements or partnership agreements.
5. **Operational Challenges**: Details of any specific operational challenges anticipated, such as supply chain interruptions, labor disputes or technological barriers.
6. **Local Economic Risks:** Economic factors specific to the region, like changes in tax regimes, inflation or potential labor strikes.
7. **Stakeholder Relations:** Details on any relations with local stakeholders or groups that might influence an investment's success.
8. **Cultural & Social Factors**: Potential impacts of local customs, cultural nuances or social issues that could affect an investment's reception or operation.
9. **Competitive Landscape:** A detailed analysis of any immediate or potential competition in the region, along with their market shares and strengths.

10. **Previous Investment History:** Past performance and outcome of any similar projects or investments undertaken by the Company or other investors in the area.
11. **Exit Strategy & Duration:** A clear description of the expected duration of the investment and potential exit strategies.
12. **Future Developments:** Any upcoming infrastructural, technological or social developments in the vicinity that might influence an investment's future value.
13. **Currency & Exchange Rate Risks:** Risks related to currency fluctuation and repatriation of funds, especially for cross-border investments.
14. **Intellectual Property:** Details and status of any intellectual property related to an investment, including patents, trademarks and copyrights.
15. **Insurance Coverage**: Types of insurance coverage in place, potential gaps in coverage and any associated risks.
16. **Operational Costs & Overruns:** Potential for operational cost overruns and unforeseen expenses.
17. **Supplier & Vendor Relationships:** Details about critical suppliers or vendors and any associated risks, such as dependency on a single supplier.
18. **Technology & Infrastructure:** The status and robustness of any technology or infrastructure critical to an investment.
19. **Force Majeure & Unforeseen Circumstances:** Potential risks from unforeseen events such as natural disasters, political unrest or pandemics.
20. **Litigation & Legal Risks**: Any ongoing, pending or potential litigation related to a property or investment.

This is by no means an exhaustive list and should be tailored to fit the specific nature and region of each investment or property the Company invests in. The *Individual Investment Disclosure* should remind each Investor they have an obligation to review the *RISK FACTORS* before each investment to ensure the investment is suitable for their investment strategy.

MANAGEMENT OF THE COMPANY

SuGo Build Your Own Portfolio Manager LLC is Manager of the Company. Under the Operating Agreement, Manager is primarily responsible for the management of the Company. The office of Manager is located at **8 The Green, Suite B, Dover, DE 19901** and its telephone number is **415-209-5812**. Manager is comprised of the principals of the Company ("***Principals***"), biographies set forth below.

Manager may also be the manager of lower tier entities that the Company is investing into.

Manager may be required to register with the SEC as a Registered Investment Adviser ("***RIA****") or* as an Exempt Reporting Advisor ("***ERA***") unless they fall under the Private Fund Adviser Exemption or Venture Capital Adviser Exemption to registration, each of which was created under the Dodd-Frank Act as amendments to the Investment Advisers Act of 1940, as amended.

Manager is not a RIA or ERA but will become one if required in the future.

DELEGATION OF MANAGEMENT DUTIES

Manager recognizes that, due to the diverse nature of the Company's investments, there may be a necessity to delegate certain management responsibilities for individual assets to specific asset managers. Accordingly, Manager is expressly authorized, but not obligated, to appoint additional people for the various separate investment assets to delegate management duties to as deal managers ("***Deal Managers***") or other suitable titles for each investment to carry out specific management duties and responsibilities. Manager will oversee and supervise the activities of Deal Managers to ensure alignment with the Company's overall strategy and objectives.

ENGAGEMENT OF CO-MANAGERS AND ADDITIONAL MANAGEMENT ENTITIES, SUCH AS SUB-MANAGER

In furtherance of the Company's objectives and to facilitate efficient management, Manager retains the right to engage additional management entities, including the possibility of Co-Managers and/or Sub-Managers, both at the Company and Investment level. Such Co-Managers or additional management entities may be independent third parties or entities created or affiliated with Manager. Their role will be to support, augment or specialize in certain management functions as deemed necessary by Manager. All such engagements will be carried out in the best interest of the Company and Investors and with a focus on maximizing the return on investment and operational efficiency.

Sarah Maud Sullivan

Sarah Sullivan is a managing partner and manager of **SuGo Build Your Own Portfolio Manager LLC**. Concurrently, Ms. Sullivan is an owner of SuGo Capital LLC ("***SuGo Capital***" and/or "***SuGo***"), a real estate asset manager that acts as a bridge between investors and passive income opportunities, which she founded in January 2019 with Mr. Goguely, and has been serving as Chief Executive Officer of SuGo Capital since its inception. Under Ms. Sullivan's leadership, SuGo has amassed an investment portfolio worth over $815,000,000.00 as of the date of this PPM, with an average annualized rate of return of over 33% for investors upon exit. When Ms. Sullivan is not crunching numbers, you can find her traveling the world and experiencing new cultures with her family.

Ms. Sullivan holds a Master of Business Administration degree in Marketing/Organizational Management from the University of California, Davis - Graduate School of Management, which she received in 2009, and a Bachelor of Science degree in Management Science from the University of California, San Diego, which she received in 2003.

Sarah Sullivan is a second-generation real estate investor.

Sarah is gifted with an eye for detail and loves to uncover the stories in data. Her background in business, analytics and cybersecurity has uniquely positioned her to research and identify strong real estate opportunities for SuGo Capital in up-and-coming markets across the United States.

Sarah has a passion for sharing her financial knowledge about investing. She finds her purpose in helping people to understand, begin and advance their journey to using passive income to build wealth.

With their investor partners, SuGo Capital has acquired 36 apartment complexes and participated in two oil funds. Sarah Sullivan is on the advisory board of two additional investment firms. Sarah is most proud of serving over 30,000 investors through her Confident Investor Educational Series that teaches financial education to the community.

Theophile Vincent Goguely

Theo Goguely is a managing partner and manager of **SuGo Build Your Own Portfolio Manager LLC**. In those capacities, Mr. Goguely shares responsibilities in Fund marketing, management and operations. Mr. Goguely is registered with NFA and has passed the NFA Series 3 (National Commodity Futures Examination) and Series 34 (Retail Off-Exchange Forex Examination) examinations.

Concurrently, Mr. Goguely has been a product manager at Google, working on the Google Assistant and search products, since January 2019. He is also a member and manager of SuGo Capital, a real estate asset manager, which he joined in January 2019. In his spare time, Mr. Goguely is an avid runner and cyclist, focusing on ultra-endurance events.

Mr. Goguely holds a Bachelor of Science degree in Computer Engineering from the University of California, San Diego, which he received in 2003.

As Chief Investment Officer at SuGo Capital, Theo Goguely expertly combines his deep technical expertise with a keen understanding of market dynamics. He holds a B.S. in Computer Engineering and has spent over 20 years in Silicon Valley's high-tech sector, developing a specialized focus in algorithmic trading and commodities markets.

Theo is also an extreme endurance athlete, a testament to his dedication and precision. This aspect of his life greatly appeals to high-net-worth investors, especially CEOs, who admire his discipline and ability to push through challenges to achieve long-term goals. Currently, Theo is pioneering algorithmic strategies that simplify the investment process, enabling investors to obtain significant results with minimal effort. His innovative approach offers a fresh perspective on navigating complex trading environments.

SUMMARY OF KEY TERMS

The following is a *Summary of Key Terms* governing an investment in SuGo Build Your Own Portfolio LLC**:**

This summary is not complete and is qualified in its entirety by reference to the more detailed information set forth elsewhere in this PPM and by the terms and conditions of the Operating Agreement, each of which should be read carefully by any Investor before investing. Investors are urged to read the entire PPM and to seek the advice of their own counsel, tax consultants and business advisors with respect to the legal, tax and business aspects of investing in the Company. Capitalized terms used herein and not otherwise defined will have the same meaning as set forth in the Operating Agreement. If any disclosure made herein is inconsistent with any provision of the Operating Agreement, the provision of the Operating Agreement will control.

COMPANY	The Company was organized as a Delaware Limited Liability Company on January 16, 2025, to operate as a private alternative investment company.
MANAGER	Manager of the Company is SuGo Build Your Own Portfolio Manager LLC, a Delaware Limited Liability Company. Under the Operating Agreement, Manager is primarily responsible for the management of the Company.
ELIGIBLE INVESTORS	Interests are being offered to ***accredited investors*** as defined in Rule 501(a) of Regulation D under the Securities Act who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Company. Manager intends to solicit and advertise Interests in the Company to the public under Section 506(c) of Regulation D of the Securities Act. Members will be required to verify their status as ***accredited investors*** through independent authorized third parties, such as CPA, attorney, licensed investment advisor or broker/dealer or by providing to Issuer two years of tax or wage statements, brokerage or bank statements, confirmation by or certain other methods acceptable by Manager. Interests in the Company are being offered under the 3(c)(1) exemption of the Investment Company Act for investment by up to 100 persons. Interests will not be registered under the Securities Act or the securities laws of any state or any other jurisdiction, nor is any such registration contemplated. An investment in the Company is suitable only for Investors who can bear the economic risk of the investment. Investors will be required to make representations to the foregoing effect to the Company as a condition to acceptance of their Subscription Agreement. Rule 506(d) of Regulation D of the Securities Act provides for disqualification of a Rule 506 offering in the event 20% or more of the Company's Interests are owned by a

Member involved in a 'disqualifying event' in connection with the sale of securities, a disciplinary sanction within the securities industry or with the SEC ("***Bad Actor Event***"). Investors subject to a Bad Actor Event may be denied admittance to the Company in Manager's sole discretion. Existing Members must inform Manager immediately upon being subject to a Bad Actor Event. Manager may remove such Member at its sole discretion.

See *QUALIFICATION OF INVESTORS* for Member eligibility requirements.

THE OFFERING

NO MINIMUM

There is no minimum dollar amount of Capital Contributions the Company must accept to commence operations.

There is no maximum dollar amount of Capital Contributions the Company may accept.

Capital Contributions may be made in cash (by means of a wire transfer, electronic fund transfer or check) or, in the sole discretion of Manager, an in-kind contribution at the time of subscription.

FIXED INVESTMENT

The Company may make an initial investment that is of fixed size. Manager will determine the initial investment size at the time of investment.

CONTINUOUS INVESTMENT

The Company may make an investment that changes over time. In a Continuous Investment, Fund Contributors may be able to allocate additional capital to the investment over time or withdraw capital from the investment over time.

CAPITAL ACCOUNT

The Company will establish and maintain on its books a Capital Account for each Fund Contributor (Manager-Members and Members). Capital Contributions are added to Capital Accounts. Capital Distributions are subtracted from Capital Accounts.

CASH BALANCE ACCOUNT

When a Member adds capital to the Company, the capital will be placed in a virtual cash balance account, called the Cash Balance Account. When a Member receives a distribution from the Company, the capital will be removed from the Cash Balance Account. When Member capital is allocated to an investment, the capital will be removed from the Cash Balance Account. When a distribution is made by an investment, that distribution will be added to the Member's Cash Balance Account. Member's pro-rata share of Fund expenses, manager fees, reserves and other fund related transactions may be removed from the Member's Cash Balance Account. If a Member does not have sufficient cash in the Cash Balance Account, this account may go negative. It will stay negative until that Member provides another capital deposit or receives a distribution to compensate the Company for the money owed that caused the Cash Balance Account to go negative.

SERIES ACCOUNT

The Company will establish a series account (each a "***Series Account***" or "***Series***") for each Investment. These Series Accounts may be either Fixed Investments or Continuous Investments.

Member Ownership - Investment

At any point in time, a Fund Contributor's ownership percentage with respect to an Investment ("***Investment Allocation Percentage***") shall be determined by dividing the balance of Fund Contributor's Series Account at such time by the Series Accounts of all Fund Contributors participating in such Investment at such time.

The Accounting Period is the period beginning on the effective date of the first Capital Contribution to the Company and ending on the last business day of each calendar month ("***Accounting Period***"). Each subsequent Accounting Period shall commence immediately after the close of the preceding Accounting Period and will continue until the close of business.

Member Ownership - Company

At any point in time, a Fund Contributor's ownership percentage with respect to the Company as a whole ("***Fund Allocation Percentage***") shall be determined by dividing Fund Contributor's Capital Account balance at any point in time by the Capital Account balances of all Fund Contributor s at such point in time. Fund Contributor Capital Account balance shall be the sum of that Fund Contributor's Cash Balance Account and Series Account balances.

UNITS

To track the allocation of an Investment, the Company has an internal accounting mechanism based on the issuance of Units. The value of Unit can vary and will be set when the investment is created.

When a Member invests in a specific Investment, Manager allocates Units representing a pro rata share of that Investment to the Member's Series Account of the specific Investment.

INITIAL CAPITAL CONTRIBUTION

The minimum initial Capital Contribution shall be no less than **$100,000.00** subject to Manager's sole discretion to accept subscriptions for lesser amounts. Each Capital

Contribution by a Member may be allocated to one or more Investments of the Company. The Member selects individual investments to participate in.

Manager may, in its sole discretion, elect to suspend the offering of Interests temporarily or permanently. Manager may, in its sole discretion, reject any subscription request for any reason or no reason.

ADDITIONAL CAPITAL CONTRIBUTIONS

Members may make additional Capital Contributions in amounts of not less than **$10,000.00**, with the consent of Manager and subject to its sole and absolute discretion to accept lesser amounts, at any time Manager chooses to accept such initial or additional contributions. Manager may, in its sole discretion, elect to suspend temporarily or permanently the ability of Members to contribute capital to the Company.

For additional Capital Contributions, when the Member makes the contribution, the Investor Portal will reflect these Member contributions and a new subscription agreement will NOT be signed.

ALLOCATION OF CURRENT INCOME

"***Income***" is the interest, earnings or distributions generated by existing Investments of the Company. After subtraction of any reserves and/or fees to Manager and subtraction of any disclosed Investment or Fund expenses, income shall be allocated to each Unitholder Series Account relating to such Investment.

On any given day, the "***Investment Duration Allocation***" is the duration of time a Unitholder's Capital Contribution is allocated to each Unit in a particular Investment, whether when such Investment was first made or sometime thereafter, as expressed in percentage terms. For example, 50 days have passed since the beginning of Investment and a Member was allocated Units on Day 10, that Member's Investment Duration Allocation on their respective Units on Day 50 would be 40 / 50 = 80%. On Day 100, their Investment Duration Allocation on their respective Units would be 90 / 100 = 90%.

On any given day, the "***Income Allocation***" is the duration a Unitholder's Capital Contribution is allocated to each Unit in a particular Investment from the prior Income distribution, as expressed in percentage terms. For example, 30 days have passed since the last Income distribution and a Unitholder was allocated their respective Units 15 days after that distribution, that Member's Income Allocation on those Units would be 15 / 30 = 50%. If 30 days have passed since the last Income distribution and a Unitholder was allocated Units prior to that distribution, that Member's Income Allocation on those Units would be 30 / 30 = 100%.

FOR FIXED INVESTMENTS

Debt (fixed interest income):
A Unitholder will receive a pro rata share of Income based on:

- If no prior Income distribution – (Investment Duration Allocation) multiplied by (Investment Allocation Percentage)
- If a prior Income distribution – (Income Allocation) multiplied by (Investment Allocation Percentage)

Equity (variable distributions):
A Unitholder will receive a pro rata share of distribution based on

- Pro rata share of distribution equals (Investment Duration Allocation) multiplied by (Investment Allocation Percentage at time of distribution); the Investment Duration Allocation may be set at the date the distribution was received or on December 31 of current year depending on the type of investment.
- Unitholders first receive their pro rata share of Disposition Proceeds equal to their Investment Allocation Percentage until all Unitholders have been paid back their initial capital investment.
- After return of principal to all Unitholders, earnings will be distributed based on each Unitholder's Investment Duration Allocation for any Units they were allocated on day Investment is exited.

FOR CONTINUOUS INVESTMENTS

A Unitholder will receive a pro rata share of Income based on:

- If no prior Income distribution – (Investment Duration Allocation) multiplied by (Investment Allocation Percentage)
- If a prior Income distribution – (Income Allocation) multiplied by (Investment Allocation Percentage)

ALLOCATION OF DISTRIBUTION PROCEEDS

"***Disposition Proceeds***" are cash proceeds from the full or partial sale or disposition of an Investment. Disposition Proceeds for Debt Investments is capital allocated to Units.

Disposition Proceeds for Equity Investments can be a combination of capital allocated to Units and/or earnings from sale of Investment.

After subtraction of any fees to Manager, any Fund expenses or Fund reserves, Disposition Proceeds and/or Distributions shall be allocated to each Unitholder's Series Account.

Each investment may have different terms on how and which order Disposition Proceeds will be handled. Members should review the *Individual Investment Disclosures* to understand how Disposition Proceeds will be handled for each particular investment.

COMPENSATION

Asset Management Fee

Members in the Company will not be subject to an Asset Management Fee.

ERISA and current Internal Revenue Service ("***IRS***") regulations prohibit fee payments to oneself and/or an affiliate from one's individual retirement account or other self-directed retirement account. Accordingly, such an account of an officer of Manager (or of his/her spouse) will not be subject to any Manager fees.

Investment Specific Fees

Please note that Manager may receive fees for specific investments based on the work involved in the investment. Fees would likely include but not be limited to finding deals, deal analysis, guarantee loans, putting up risk money, overseeing project management, bookkeeping, package preparation, coordination of service providers, acquisition fees, due diligence and/or financing fees, loan origination fees, loan servicing fees or other types of fees. Manager will disclose all fees in writing before Member capital is allocated to a specific investment. It is impossible to provide all investment term and fee possibilities until there is a specific investment upon which to outline them. Members should review the *Individual Investment Disclosures* to better understand the fees.

EXPENSES

All expenses of the Offering and organization of the Company, including legal and other expenses, ("***Organizational Expenses***") will be paid by the Company and/or reimbursed by the Company to the extent paid by Manager. GAAP requires that organizational costs be treated as an expense when incurred. If Manager believes the impact on the Company's results from this departure from GAAP will result in a fairer apportionment of such expenses among Fund Contributors, it may do so. If the Company is audited, this departure from GAAP may also result in a qualified audit opinion from the Company's auditors. If the Company is terminated within five years of the commencement of investment activities, any unamortized expenses will be recognized.

The Company shall pay (or reimburse Manager) for all ordinary and reasonable operating and other expenses, including, but not limited to, investment-related expenses (e.g. all costs, fees and expenses) of the Company directly related to the purchase, sale or retention of Investments by the Company (including all fees and commissions of custodians, all fees and disbursements of independent attorneys and accountants, all fees and expenses relating to the registration and qualification for sale of such Investments and all transfer taxes); advertising and marketing expenses for Company; research costs and expenses (including fees for news, quotation and similar information and pricing services); registered agent fees; legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings); accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including franchise, transfer taxes and withholding taxes payable by the Company); other governmental charges or fees payable by the Company; costs of printing and mailing reports and notices; and other similar expenses related to the Company, as Manager determines in its sole discretion.

The Company may create reserves for Fund expenses. Manager may allocate a portion of Member capital to a Fund expense reserve at time of allocation or Manager may allocate a portion of Member earnings to Fund expense reserves at the time earnings are distributed to Member accounts.

Each Fund Contributor pro rata share of expenses is calculated as follows:

- Daily Average Value ("***DAV***") is calculated using DAV on the first day of each month in a calendar year.
- Average DAV for all Fund Contributors (Manager-Members and Members) is then added together for Total DAV.
- Each Fund Contributor's pro rata percent share is calculated by dividing that Fund Contributor's Average DAV by the Total DAV.
- Each Fund Contributor's pro rata share of Company expenses is then calculated by taking that Fund Contributor's pro rata percent share and multiplying it by Total Company Expenses for that calendar year.

- Pro rata share of Company expenses will be deducted on December 31 of each calendar year from the Fund Contributor's account.

The Company may deviate from the above methodology, at the full discretion of Manager, to manage expenses as Manager deems necessary.

CUSTODY

The amounts paid by a Member to the Company shall be placed directly in an account with one or more financial institutions or investment platforms selected by Manager, under appropriate arrangements, after all necessary Investor documentation has been received and all due diligence procedures have been completed.

SELLING COMMISSIONS

Selling commissions and/or referral/finders fees (if appropriate and legal) may be paid in connection with the offering of the Company Interests only if the Company Interests are offered by registered broker-dealers. Manager may use its own resources to compensate registered broker-dealers for such introductions. The terms of any such arrangement will be fully disclosed to all Investors in the PPM if known or in the *Individual Investment Disclosure.*

LIMITATION OF LIABILITY

The Operating Agreement provides that Manager and its respective affiliates, shareholders, Members, Principals, directors, officers and employees, agents and representatives (collectively "***Indemnified Parties***") shall not be liable, responsible nor accountable for damages or otherwise to the Company or any Member, or to any successor, assignee or transferee of the Company, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on such Indemnified Party by the Operating Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by such Indemnified Party of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Company; (iii) the negligence, dishonesty, bad faith or other misconduct of any consultant, employee or agent of the Company, including, without limitation, an affiliate of Manager, selected or engaged by such Indemnified Party with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith or other misconduct of any person in which the Company invests or with which the Company participates as a partner, member, joint venture or in another capacity, which was selected by such Indemnified Party with reasonable care and in good faith.

ARBITRATION

Any controversy or claim arising out of or relating to this PPM, or the breach thereof, shall be determined by final and binding arbitration administered by the American Arbitration Association ("***AAA***") under its Commercial Arbitration Rules and Mediation Procedures ("***Commercial Rules***") or other agreed to Arbiter in **San Rafael, CA**. Investor and Company each agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action. Each party to bear their own costs and attorney's fees. However, Arbitrator is authorized to fashion relief to a prevailing party if they consider such an award to be just and fair under the circumstances existing at the time of arbitration.

LIMITATION ON ABILITY TO RECOVER DAMAGES

The Operating Agreement provides that Manager shall not be liable to the Company for any loss or liability incurred in connection with the affairs of the Company unless such loss or liability results from willful misconduct, gross negligence or bad faith of Manager. Therefore, Investors may have a more limited right of action against Manager than they would have had absent these provisions.

WITHDRAWALS

When Investor invests in the Fund by making a Capital Contribution, the funds are deposited into the Member Cash Balance Account and are not yet committed to an Individual Investment. Members may make withdrawals from Cash Balance Accounts after 12 months if funds have not been committed to an Individual Investment. If Member capital has been committed to an Individual Investment through execution of an *Individual Investment Disclosure* the withdrawal will be as provided in the *Individual Investment Disclosure* (each such date, a "***Withdrawal Date***"). Manager, in its sole discretion, may reduce or waive the Notice Period. Any Member capital that has been allocated to an Investment cannot be withdrawn until the Investment has been fully exited or liquidated and Manager has completed allocating all principal and earnings to respective Members that participated in that Investment.

In the event of withdrawal, a Member must withdraw at least **$10,000.00** and shall maintain a minimum Capital Account balance, after giving effect to the withdrawal, of not less than **$100,000.00**. A Member failing to maintain the minimum Capital Account balance may be required to withdraw the balance of its Capital Account at any time without notice. Manager, in its sole discretion, may waive these minimum amounts.

Payments for withdrawals are generally made within 30 days of the Withdrawal Date; *however,* in the event a Fund Contributor is allowed to withdraw 95% or more of the funds from their Capital Account (or if a withdrawal, when combined by all other withdrawals effected by such Fund Contributor during the preceding 12 months, would result in such

Fund Contributor having withdrawn 95% or more of its Capital Account during such period), a portion (generally not to exceed 5%) of the withdrawal payment will be retained in Manager's discretion pending completion of the annual audit (if any) for the fiscal year in which the withdrawal occurs. No interest will accrue on retained withdrawal payments. Withdrawals may be effectuated in cash (by means of a check, electronic fund transfer or wire transfer) or, in the sole discretion of Manager, a distribution of interests in-kind.

GATE AND OTHER WITHDRAWAL RESTRICTIONS ON CAPITAL ACCOUNTS

If aggregate withdrawal requests are received for a particular Withdrawal Date for more than ten percent (10%) of the Net Asset Value of the Company as of such Withdrawal Date, Manager may, in its discretion, reduce all withdrawal requests for the Company for such Withdrawal Date *pro rata* in proportion to the amount sought to be withdrawn by each withdrawing Fund Contributor so that only ten percent (10%) of the Net Asset Value of the Company as of such Withdrawal Date is withdrawn (the "***Gate***").

The Gate may be waived with respect to certain Members whose Capital Account balance would otherwise be less than the minimum Capital Account balance required by the Company. To the extent that any Fund Contributor's request has been reduced by the Gate, such request shall be satisfied as of the end of the next Withdrawal Date (and if not fully satisfied as of that date because of the Gate, then as of the next Withdrawal Date and, if necessary, successive Withdrawal Dates), each time subject to the Gate. Any deferred withdrawal requests shall be treated in priority to withdrawal requests received for Withdrawal Dates after the initial Withdrawal Date at which the deferred request would have been affected in the absence of the Gate. Any unsatisfied portion of any such withdrawal requests shall continue to be at risk in the Company's business until the effective date of the withdrawal.

Manager may suspend the right of withdrawal or postpone the date of payment for any period during which (i) there exists a state of affairs that constitutes a state of emergency, or (ii) a delay is reasonably necessary, as determined in the reasonable discretion of Manager, in order to effectuate an orderly payment in a manner that does not have a material adverse impact on the Company or the non-withdrawing Members. Manager has reserved the right, in its sole discretion and without notice, to require any Member to withdraw entirely from the Company, for any reason or no reason. As with all other withdrawals, any such required withdrawals may be effectuated in cash (by means of a check, electronic fund transfer or wire transfer) or, in the sole discretion of Manager, a distribution of interests in-kind.

Manager may establish reserves for expenses, liabilities or contingencies [including those not addressed by U.S. generally accepted accounting principles ("***GAAP***")] which could reduce the amount of a distribution upon withdrawal ("***Reserve Withholding***"). Any such Reserve Withholding, if and when released, shall be allocated among the Capital Accounts of Fund Contributors pro rata who are Fund Contributors during the period when such Reserve Withholding was in place and distributed pro rata to any Fund Contributor who withdrew capital at the time such Reserve Withholding was in place.

At the discretion of Manager, any withdrawal by a Fund Contributor may be subject to a charge, as Manager may reasonably require, in order to defray the costs and expenses of the Company in connection with such withdrawal including, without limitation, any charges or fees imposed by any Company investment in connection with a corresponding withdrawal or redemption by the Company from such investment or any other costs associated with the sale of any of the Company's portfolio investments.

SIDE LETTERS	Manager may enter into agreements with certain Members that will result in different terms of an investment in the Company than the terms applicable to other Members. As a result of such agreements, certain Members may receive additional benefits which other Members will not receive (e.g., additional information regarding the Company's portfolio, different withdrawal terms or lower fees). Manager will include in the *Individual Investment Disclosure* available to other Members a summary of any such agreement or any of the rights and/or terms or provisions thereof, and why it was beneficial, but MAY choose to not disclose the name of the specific Member. However, Manager will be required to offer such additional and/or different terms or rights to any other Member who can comply with the terms offered.
RISK FACTORS	In general, investment in the Interests involves various and substantial risks, including but not limited to, the risk that borrowers under Investments default, platforms the Company utilize shut down, risks for certain tax-exempt investors, risks related to the limited transferability of a Member's Interest in the Company, the lack of operating history of the Company, the Company's dependence upon Manager and certain tax risks (see *RISK FACTORS*).
RESTRICTIONS ON TRANSFER	Members may not pledge, assign, sell, exchange or transfer its Interest or any portion thereof, and no assignee, purchaser or transferee may be admitted as a substitute Member, except with the consent of Manager, which consent may be given or withheld in its sole and absolute discretion.
FISCAL YEAR	The Company's fiscal year shall end on December 31.
REPORTS	Manager will furnish financial statements to all Members within 120 days, or as soon thereafter as is reasonably practical, following the conclusion of each fiscal year. In addition, all Members will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical. Given the complexity of the Company, Manager cannot commit to delivering all required tax documentation for Members to meet the April 15 federal tax deadline and the Member may need to adjust their tax filing post the deadline. Each Member will also receive unaudited online reports of all activity as it relates to their Capital Account monthly. At Manager's sole discretion, Manager may include a narrative discussion of individual investments, market and economic outlook and such other information as Manager determines. Manager will not be required to provide information regarding specific investments at the Company level.
TERM	The Company shall continue until the earlier of (i) a determination by Manager that the Company should be dissolved, (ii) the complete withdrawal of Manager from the Company, unless a successor Manager is appointed, (iii) entry of a decree of judicial dissolution or (iv) termination, bankruptcy, insolvency or dissolution of Manager.
AMENDMENT OF OPERATING AGREEMENT	The Operating Agreement provides that Manager has the right to amend the Operating Agreement to, among other things, correct any ambiguous, false or erroneous provision provided that no such amendment shall adversely affect the rights, privileges and powers of the Members as a group, unless agreed to by the holders of a majority of Allocation Percentages held by Members. Notwithstanding the foregoing, Manager may amend the Operating Agreement to conform to applicable laws and regulations without the approval of the Members. Manager shall provide Members with at least 15 days' notice of any amendment to the Operating Agreement to comply with applicable laws. Manager may also amend the Operating Agreement to conform with the latest technology updates provided by the Avestor Platform without the approval of the Members. Manager is authorized on its own motion to institute proceedings for adoption of a proposed amendment to the Operating Agreement. Investors should know that Members have no voting rights except in very limited and specific situations. The details of any such amendment shall be provided to Members in writing.
SELF-ADMINISTRATOR	Manager shall serve as the initial Administrator of the Company. Manager may authorize Avestor Inc. to assist in its administration services but Manager will be fully accountable for the accuracy of its books. While Manager provides administration services, judgments as to the proper allocation of expenses will be made by Manager. Although Manager has a fiduciary duty to act in the best interests of the Company, Manager serving as the Administrator constitutes a material conflict of interest of which all Members should be aware. Manager shall not be compensated by the Company for providing such services (see *POTENTIAL CONFLICTS OF INTEREST*). Manager may compensate third parties, including Avestor Inc, for its services.

RISK FACTORS

An investment in the Company involves a number of significant risks. The Risk Factors set forth below are those that, at the date of this PPM, Manager deems to be the most significant. When new alternative investment categories are added to the investment program, they will come with a new set of risks that may not be included in this list. If there are new risks, Manager will include them in the Individual Investment Disclosure.

Any Risks added as well as the following are not a complete description or an exhaustive list of risks. Other factors ultimately may affect an investment in the Company in a manner and to a degree not now foreseen. Investors should carefully consider, in addition to the matters set forth elsewhere in this PPM, the risks discussed below. An investment in the Company should form only a part of a complete investment program and an Investor must be able to bear the loss of its entire investment. Investors should also consult with their own financial, tax and legal advisors regarding the suitability of this investment.

THE FOLLOWING RISK FACTORS ARE NOT A COMPLETE LIST OF ALL RISKS INVOLVED IN THE OFFERING OR AN INVESTMENT IN THE COMPANY. INVESTORS SHOULD READ THIS PPM, THE OPERATING AGREEMENT AND ANY EXHIBITS, IN THEIR ENTIRETY, BEFORE INVESTING.

GENERAL RISKS

Investing Involves Risks	Investing in the Company involves risks, including the risk of little or no return on investment or loss of part or all investment. Therefore, before investing carefully consider the following risks that you assume when you invest in the Company. You assume these risks as a result of the Company Investments.
Waiver of State Securities Laws	In the *Subscription Agreement* Members waive the application of State Securities Laws regarding transactions contemplated in this Offering that may conflict with Federal Securities Laws. Members confirm the protections afforded under Federal Securities Laws are adequate and appropriate given their level of sophistication and status as an accredited Investor. This waiver limits rights and remedies otherwise available to Members under State Securities Laws.
Customizable Funds	Customizable funds utilize a combination of legal structures, current regulations and technology infrastructure to enable Members to have flexibility to allocate capital to specific investments and Manager to have broad discretion to select the investments inside the Fund. There may be inherent risks associated with any aspect of a customizable fund that will require continuous modifications to legal, structures, technology to ensure compliance with the latest data available at that time.

REAL ESTATE RELATED RISK FACTORS

General Real Estate Risks

Real property investments are subject to varying degrees of risk. Real estate values are affected by a number of factors, including:

- changes in the general economic climate;
- local conditions, i.e., an oversupply of or a reduction in demand for space;
- local conditions, i.e., an oversupply of or a reduction in demand for land;
- vacancies;
- competition based on rental rates;
- competition based on other properties for sale;
- attractiveness and location of properties;
- financial condition of tenants, buyers and sellers or properties;
- quality of maintenance, insurance and management services;
- changes in real estate tax rates and other operating costs and expenses;
- rental restrictions;
- changes in interest rates and the availability of debt financing;
- uninsured losses or delays from casualties or condemnation;
- government regulations (including those governing usage, improvements, zoning and taxes) and fiscal policies;
- potential liability under changing environmental and other laws;
- risks and operating problems arising out of the presence of certain construction materials or workmen;
- structural or property level latent defects;
- acts of God, acts of war (declared or undeclared), terrorist acts, strikes and other factors beyond the control of Company, Manager and its affiliates;
- Investments in existing entities (*e.g.*, buying out a distressed partner or acquiring an interest in an entity that owns a real property) could also create risks of successor liability.

No Guarantee Manager will be Successful in Acquiring Investments	While Manager will undertake in good faith and with best efforts to acquire Investments, there is no guarantee they will be successful. Potential causes for a failure to acquire either direct or indirect interests in Investments include, without limitation, those risks above under *General Real Estate Risks*; destruction of property by way of natural or human causes including wildfire, arson, earthquake, accidental or intentional destruction; defects discovered in the property such as damaged infrastructure, vermin infestation or other hazardous conditions; seller's death or health issues; seller's decision to no longer sell the property; negative market conditions, turmoil or collapse; or regulatory reform.
Financing of Real Estate Projects	Investments may be financed utilizing debt, which increases the exposure to loss. Principal and interest payments on indebtedness will have to be made regardless of cash flow from assets. There is no assurance that replacement financing on favorable terms will be available. Depending on the level of leverage and the decline in value, if mortgage payments are not made when due, one or more of the assets may be lost (and the investment rendered worthless) as a result of foreclosure by mortgagee.
Geographic Concentration and Lack of Investment Diversity	Adverse market or economic conditions may disproportionately increase the risk that the market value of the Company's assets could be adversely affected thereby. Any sustained period of increased payment delinquencies, foreclosures or losses caused by adverse market or economic conditions in that geographic region could adversely affect both the Company's ability to dispose of any real property (either direct or indirect interests) and its potential income, which would significantly harm the Company's revenues and financial condition. The concentration of the Company's portfolio subjects the Company to a greater degree of risk than would otherwise be the case if its Investments were diversified over a larger geographic region, over various asset classes and investment types.
Defective Title May Impact the Value of Investments	The Company may acquire real property and knowingly or unknowingly incur defective title on property. Defective title could result in other parties laying claim to all or a portion of the property. Claims may have to be litigated or paid for the Company to rehabilitate, develop or dispose of the property. Costs for litigation or satisfaction of claims may result in Investors losing all or a portion of its investment in the real property or in the Company.
Government Regulation of Real Estate Business	The real estate business is subject to extensive building, zoning, occupancy insurance, foreclosure, tax and other regulations by various federal, state, local and municipal authorities, which affect acquisition, development, renovation, construction and operating activities and dealings with customers, as well as consumer credit and consumer protection statutes and regulations. There is no assurance that regulations affecting the real estate, including environmental regulations, will not change in a manner which could have a material adverse effect on Company Investments.
Illiquidity of Real Estate	Company Investments will generally be illiquid and there can be no assurance the Company will realize return on Investments in a timely manner. Failure or delay to sell properties could result in lower gains and have a material adverse effect on Company assets. The illiquidity of real estate Investments makes it more difficult to adjust the Company property portfolio promptly in response to changes in economic or business conditions or to the factors described above. If the Company is forced to sell one or more properties at an inopportune time or liquidate unexpectedly, the proceeds might be less than the Company's total investment.

PROJECT RELATED RISK FACTORS

Project Related Risk Factors	Each project may be subject to unique environmental problems, construction cost overruns and delays; a possible shortage of available cash to fund capital improvements and the related possibility that financing for these capital improvements may not be available on attractive terms; and uncertainties as to market demand or a loss of market demand after capital improvements have begun. Each project may be impacted by adjacent development. The financial performance of the project may be impacted by the development of other projects on nearby and adjacent land. Neighboring developments are not under the control of the Company, or any of their affiliates. The delay or failure of the planned nearby developments may result in reduced rents or purchase price upon sale of the project which would negatively impact the project's financial performance and Investor returns. Reserves for capital expenditures may prove inadequate. It is expected that the Company will be required to construct, maintain and replace from time-to-time structural components of each project and their systems, including roads, wells, gates and fences. Although the Company is expected to maintain reserves for these capital expenditures, these reserves may be inadequate if the Company's assumptions and estimates on the useful life of these improvements are inaccurate. Costs and expenses for these capital expenditures over- and above-budget expenses could adversely affect the Company's financial condition.

Increases in property taxes would increase the Company's operating costs, reduce its income, and adversely affect the Company's ability to make distributions to Investors. If property taxes increase, the Company's financial condition, results of operations and its ability to make distributions could be materially and adversely affected.

Noncompliance with environmental laws and releases of hazardous substances could subject the Company to fines and liabilities, which could adversely affect their operating results. Each project will be subject to various federal, state and local environmental laws. Under these laws, courts and government agencies have the authority to require any owner or operator of a property that is or becomes contaminated to clean up the property and to incur the associated costs, even if such owner or operator did not know of or was not responsible for the release of the contamination. These laws also apply to persons who owned or operated a property at the time that it became contaminated, and therefore, it is possible that the Company could incur these costs even after it sells a project. In addition to the costs of cleanup, environmental contamination can affect the value of a property and, therefore, an owner's ability to borrow funds using the property as collateral or to sell the property. Under the environmental laws, courts and government agencies also have the authority to require that a person who sent waste to a waste disposal facility, such as a landfill or an incinerator, pay for the cleanup of that property if it becomes contaminated and threatens human health or the environment. The Company can make no assurances that future laws or regulations will not impose material environmental liabilities on the Company or that the environmental condition of a project will not be affected by the condition of the properties in its vicinity or by third parties unrelated to the Company. Any such liabilities could have a materially negative impact on the financial condition of the Company.

Capital expenditure requirements, particularly for roads and utility infrastructure at a project, may be costly and require the Company to incur debt, postpone improvements, reduce distributions or otherwise adversely affect the results of their operations and valuation.

The costs of development, renovations and capital improvements could adversely affect the Company's financial condition, results of operations, valuation and ability to make distributions.

Real estate development and redevelopment is subject to timing, budgeting and other risks that may adversely affect the Company's financial condition and results of operations, the value of the Member's Interests and the Company's ability to make distributions to Investors.

The Company may be unable to sell a project on favorable terms or at all. If the Company decides to direct the sale of a project, there can be no assurance that a project will be sold at a price or on terms that are acceptable to Manager or Investors. The Company cannot predict the length of time needed to find a willing purchaser and to close the sale of a project. The Company may be required to expend funds to correct defects or to make improvements before a project can be sold. There can be no assurance that the Company will have funds available to correct those defects or to make those improvements. These factors could adversely affect the Company's financial condition and results of operations, valuation, ability to make distributions and the ability of Investors to receive a return of their Capital Contribution from an Investment.

A project may be sold to an affiliate of Manager and the purchase price for a project may be based on a broker opinion of value, appraisal or other lender valuation, which may be based on historical financial performance and not future projections. Estimation of fair market value may be difficult on illiquid, undeveloped land.

LENDING SPECIFIC RISKS

Limited Ability to Obtain Bank Financing	If the Company needs additional funds, there is no guarantee that debt or equity financing will be available on favorable terms or at all. The Company has no existing bank lines of credit and has not established any definitive sources for additional financing. Failure to obtain such additional financing on acceptable terms when needed could restrict the Company's ability to implement its business plan.
Default Risk	A primary risk associated with the Company is the risk that a borrower may be unable to repay their obligations to the Company. While the Company's investment program recognizes that an Investment may default, those assumptions may not prove accurate or may underestimate the actual default rate. If the Company is unable to pay returns to Fund Contributors if or when due, Fund Contributors will have limited access to Company assets.
Delayed Repayment	The economic model upon which the Company's investment program is based assumes that a borrower receiving a loan will satisfy their obligations to the Company within a limited term. Repayment within the limited term allows the Company to reinvest assets in future

opportunities in a manner consistent with the Company's investment program. There is a risk that delayed payment could negatively affect the financial results of the Company.

Fraud	While the Company believes the underwriting criteria it uses to screen potential lending opportunities is comprehensive and likely to mitigate the risk of fraud, the Company cannot eliminate the chance that a borrower will provide fraudulent information when securing a loan from the Company. To the extent such fraud is discovered, the Company may be able to pursue the personal assets of the defaulting borrower, but the Company may not be able to recover sufficient assets to cover its losses.
Inaccurate Information	Investment information, PPMs, spreadsheets, financial documents, experience of deal sponsors and other investment related information/analyses supplied to Manager to assess the quality of an investment may be inaccurate. Manager uses this information to determine whether to invest in an investment using Company funds. Manager has no way of determining the accuracy of this information and there could be unintentional or intentional errors in those disclosures.
Collateral	The Company relies on the use of real property and other assets as collateral to secure loans it extends to borrowers and on the creditworthiness of particular borrowers. There are a number of factors which could adversely affect the value of assets securing such investments, including: • ***Accurate Appraisals or Valuations***. The Company will rely on appraisals of other online real estate portals or investment managers to determine the fair market value of assets securing investments made by the Company. No assurance can be given that any appraisals will, in any or all cases, be accurate. Since an appraisal is based on the value of the asset at a given point in time, subsequent events could adversely affect the value of such asset. In real estate, such events may include general or local economic conditions, neighborhood values, interest rates, new constructions and other factors. • ***Owning/Maintaining Assets.*** If the borrower in the underlying investment defaults, the Company may have no feasible alternative to repossessing the asset at a foreclosure sale. If the online real estate portal or the investment manager cannot quickly sell such property, and the property does not produce any significant income, the cost of owning and maintaining the property will directly affect profitability. • ***Changes in Laws***. Subsequent changes in laws and regulations may limit the permitted uses of the property or asset, drastically reducing its value. • ***Anti-Deficiency Laws***. Due to certain provisions of some state laws applicable to real property secured loans, generally if the real property security proves insufficient to repay amounts owing to the Company, it is unlikely that the Company would have any right to recover any deficiency from the borrower. • ***Bankruptcy***. The recovery of sums advanced by the Company in making Investments and protecting its security may be delayed or impaired by federal bankruptcy laws or by irregularities in the manner in which underlying loans were made. Any borrower has the ability to delay a foreclosure sale from several months to years simply by filing a petition in bankruptcy which automatically stays any actions to enforce the terms of the loan. Delays and costs will reduce profitability.
General Economic Conditions	Should general economic conditions deteriorate, a greater than anticipated percentage of borrowers receiving loans from the Company could lose their primary source of income and therefore default in their obligations to the Company. While the Company assumes a certain percentage of lending defaults, those assumptions may prove unrealistic should economic conditions worsen.
Pandemics	Viruses and pandemics can have a significant disruption on the economy. The impact to real estate markets from pandemics is unknown and could result in significant financial impact to Investments or the Company. While the Company has and will continue to develop plans to mitigate the negative impact on its business, these efforts may not be effective and a protracted economic downturn may limit the effectiveness of mitigation efforts resulting in a material adverse effect on financial results that may prevent Company from paying returns to Fund Contributors and honoring obligations.

Competition	The real estate industry is competitive and investment strategies are extremely competitive and involve a significant degree of risk. The Company may compete with others engaged in similar businesses, many of whom have greater financial resources and more experience than the Company.
Inflation Risk	Inflation risk results from the variation in the value of cash flows from an investment due to inflation, as measured in terms of purchasing power. The Company is exposed to inflation risk because the interest rate associated with each loan transaction is fixed for the duration of the transaction.
Fluctuations in Interest Rates	Mortgage interest rates are subject to abrupt and substantial fluctuations. The Company may make a large number of short to medium term loans which are illiquid. If prevailing interest rates rise above the average interest rate being earned by the Company, Investors may be unable to liquidate their investments in order to take advantage of higher returns available from other investments. If prevailing interest rates fall significantly below the average interest rate being earned by the Company, borrowers may elect to refinance their loans and prepay their loan, reducing the overall yield of the Company's loan portfolio.
Usury Exemption	State and federal usury laws limit the interest that lenders are entitled to receive on mortgage loans. In determining whether a given transaction is usurious, courts may include charges in the form of points and fees as interest but may exclude payments in the form of reimbursement of foreclose expenses or other charges found to be distinct from interest. If, however, the amount charged for the use of the money loaned is found to exceed a statutorily established maximum rate, the form employed and the degree of overcharge are both immaterial. Statutes differ in their provisions as to the consequences of a usurious loan. One group of statutes requires the lender to forfeit the interest above the applicable limit or imposes a specified penalty. Under this statutory scheme, the borrower may have the recorded mortgage or deed of trust canceled upon paying its debt with lawful interest, or the lender may foreclose, but only for the debt plus lawful interest. Under a second, more severe type of statute, a violation of the usury law results in the invalidation of a transaction, thereby permitting the borrower to have the recorded mortgage or deed of trust canceled without any payment and prohibiting the lender from foreclosing.
Uninsured Losses	Manager may require title, fire and casualty insurance on the properties securing Company loans. Manager may also, but is not required to, arrange for earthquake and/or flood insurance. There are losses (generally of a catastrophic nature) which are either uninsurable or not economically insurable, such as losses due to war, floods or mudslides. Should any such disaster occur, the Company could suffer a loss of principal and interest on loans secured by uninsured property.
Geographic Concentration	Investments may be concentrated in one geographic area. Market or economic conditions of a particular region may adversely affect the market value of Company assets. Any sustained period of increased payment delinquencies, foreclosures or losses caused could adversely affect the Company's ability to obtain repayments of loaned capital or dispose of any real property, which would significantly harm Company revenue and financial condition.
Using Contract to Deed	If the Company uses Contract to Deed to purchase real estate and buyer defaults on the agreement (e.g., by missing payments), the contract will often specify that seller can repossess the property. Depending on the terms and local laws, the buyer might lose all equity in the property. The Company might face a balloon payment at the end of the contract term or risk losing their investment if they default.
Using a Promissory Note	If the Company uses a promissory note to purchase real estate and buyer defaults, seller will need to go through foreclosure . to recoup their investment. The debt is usually secured by the property, which puts the real estate at risk until the note is paid.

INVESTING IN OTHER PRIVATE FUNDS

The Company may invest in private pooled investment vehicles managed by third parties pursuing real estate focused investment strategies similar to that of the Company (each an "***Underlying Fund***"). There can be no assurance that the Underlying Fund will meet its investment objectives or otherwise be able to successfully carry out its investment strategy.

Terms of the Underlying Funds	The terms of the Underlying Funds, including their respective investment guidelines may be amended by Manager or manager of each Underlying Fund in their sole discretion. Such amended terms may vary from those described in the Underlying Funds offering PPM. Members will not have the ability to negotiate the terms of the Company's investment in an Underlying Fund.
Multiple Levels of Expenses	In addition to the management fees, charges and expenses associated with an investment in the Company, each Underlying Fund could charge the Company an allocable share of its own fees and expenses, including an Asset Management Fee and performance allocation, if any, charged by its Manager often referred to as Acquired Fund

	Fees and Expenses, usually meaning any fees and expenses incurred directly from investment in shares of another fund.
Illiquid Investments	The Company may invest part of its assets in investments that Manager believes either lack a readily assessable market value or should be held until the resolution of a special event or circumstance. The Company may not be able to readily dispose of illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. For accounting purposes, illiquid investments and other assets and liabilities for which no such market prices are available will generally be carried on the books of the Company at the lesser of cost or book value unless Manager, in its sole discretion, determines that an alternative fair value should be used. There is no guarantee that fair value will represent the value that will be realized by the Company on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment.
Risk of Dilution or Concentration	Because the Company may invest a portion of its capital in Underlying Funds, the initial Members may experience dilution of their pro rata investment in such Underlying Funds when additional Members join the Company, potentially at a time when investments in those Underlying Funds are beginning to produce attractive rates of return. Manager will endeavor to invest incremental capital to achieve rates of return that approximate or exceed the returns to be realized from the earlier Underlying Funds. Conversely, if a significant percentage of the Company's capital is withdrawn by Members, the remaining Members may experience increased pro rata participation in Underlying Funds. In such case, Manager will manage the Company in the best interest of the remaining Members.
Lack of Control Over Underlying Funds	The Fund's investments will be in private funds managed by third-party managers. The Fund will have no control over the operations, decision-making processes or investment strategies of these managers, which may result in outcomes that differ from the Fund's objectives.
Reliance on Third-Party Fund Managers	The performance of the Fund depends heavily on the skill and judgment of third-party managers. There is no guarantee that these managers will perform as expected or that their strategies will align with the Fund's goals.
Limited Transparency	Many private funds offer limited transparency into their operations, investments and risk management practices. This lack of visibility may hinder the Fund's ability to assess the risks and performance of its investments.
Underlying Fund Fees and Expenses	Investments in private funds typically involve multiple layers of fees, including management fees and performance-based fees (e.g., carried interest). These fees may be in addition to the fees charged by the Fund, which could reduce overall returns.
Illiquidity of Underlying Funds	Private funds often have long lock-up periods and limited redemption opportunities, which may restrict the Fund's ability to access capital when needed or to exit underperforming investments.
Potential for Conflicts of Interest	The managers of the underlying funds may have conflicts of interest that could adversely affect their decision-making, such as favoring other investors or funds they manage over Fund interests.
MARKET AND PERFORMANCE RISKS	
General Market Risk	The underlying funds may invest in a variety of asset classes and strategies, all of which are subject to market fluctuations, economic conditions and geopolitical events that could negatively impact their performance.
Correlation of Underlying Funds	Despite the Fund's efforts to diversify, the underlying funds may have overlapping investments or strategies, which could result in greater exposure to specific risks or market sectors.
Potential for Loss	Investments in private funds are speculative and involve significant risk, including the potential loss of the entire investment. Past performance of underlying funds is not indicative of future results.
OPERATIONAL RISKS	
Operational Risk of Underlying Fund Managers	The underlying funds are subject to operational risks, including errors in execution, valuation inaccuracies or fraud by their managers, employees or service providers.
Valuation Risks	The valuation of private fund investments is often based on estimates and third-party assessments, which may not accurately reflect their realizable value. This could lead to discrepancies in the Fund's reported net asset value.
Due Diligence Limitations	Although the Fund will conduct due diligence on underlying funds and their managers, such efforts cannot eliminate all risks. There is no assurance that all relevant information will be available or accurate during the due diligence process.
REGULATORY AND LEGAL RISKS	

Regulatory Changes	The regulatory environment for private funds is subject to change, which could impact the operations or profitability of the underlying funds or impose additional compliance burdens on the Fund.
Lack of Investor Protections	Investments in private funds are not subject to the same regulatory protections as publicly traded securities. This lack of oversight may increase the risk of fraud or mismanagement.
Tax Risks	Investments in private funds may give rise to complex tax issues. Changes in tax laws or regulations could negatively affect Fund and/or Investor returns.

DIVERSIFICATION AND CONCENTRATION RISKS

Lack of Diversification	The Fund may have significant exposure to a limited number of private funds or strategies, increasing the risk of losses from adverse developments in any one fund or sector.
Concentration Risk	The underlying funds may have concentrated positions in specific industries, asset classes or geographic regions, increasing vulnerability to specific market events.

LIQUIDITY AND REDEMPTION RISKS

Liquidity Constraints	The illiquid nature of private funds may delay the Fund's ability to return capital to Investors. Redemption requests may also be subject to delays or restrictions.
Gate Provisions and Suspensions	Underlying funds may impose gate provisions or suspend redemptions during periods of market stress, which could impair Fund liquidity and ability to meet its own obligations.

RISKS SPECIFIC TO FUND OF FUNDS STRUCTURE

Complexity of Investments	The Fund's strategy involves navigating a complex landscape of private funds, each with unique terms, structures and risks. This complexity may increase the likelihood of errors in investment selection or management.
Performance Dilution	The performance of the Fund is effectively an aggregation of the performance of its underlying funds. Underperformance by a few funds could significantly impact overall Fund returns.
Leverage Risks	Some underlying funds may use leverage to enhance returns. This strategy can amplify both gains and losses, increasing the overall risk profile of the Fund.

RISKS TO INVESTORS

Lack of Immediate Liquidity	Investors should be aware that investments in the Fund are typically long-term and illiquid. Withdrawals or redemptions may be limited or delayed based on the liquidity of the underlying funds.
Potential for Overlap in Investor Portfolios	Fund Investors may also have direct or indirect exposure to the same underlying funds or assets, reducing the intended diversification benefits.

MAKING LOANS TO START-UPS AND SMALL BUSINESSES RISKS

High Failure Rate	Start-ups and small businesses have a statistically higher failure rate compared to more established businesses. If these companies fail, they may be unable to repay their loans, leading to potential losses for Investors.
Lack of Operating History	Many start-ups lack a significant operating history, making it challenging to assess their business models' viability, financial health and long-term prospects.
Limited Collateral	Compared to larger businesses, start-ups and small businesses may not have significant assets to offer as collateral. This can lead to a higher risk of loss if the business defaults on the loan.
Market and Competitive Risks	Start-ups and small businesses are typically more susceptible to market fluctuations and competitive pressures. Changes in market conditions or increased competition can adversely affect their ability to generate revenues and service their loans.
Financial and Management Inexperience	Often, entrepreneurs may lack experience in managing finances or navigating complex business challenges, which can increase the risk of business failure and loan default.
Regulatory and Legal Risks	Start-ups and small businesses might face regulatory and legal challenges unique to their industry or business model. Unexpected legal or regulatory issues can result in unforeseen costs and potential business interruptions.
Economic Factors	Start-ups and small businesses might be more vulnerable to economic downturns or financial crises, leading to decreased revenues, layoffs and difficulty in servicing debt.
Reliance on Key Personnel	Many start-ups and small businesses depend heavily on a small number of key employees or founders. The departure of such essential individuals can jeopardize business continuity and ability to repay the loan.

Potential for Dilution	If the business raises additional capital in the future, it may dilute the value of existing shareholders or complicate the business capital structure, which can have implications for debt repayment.
Lack of Diversification	Start-ups and small businesses often focus on a single product, service or market, making them more susceptible to specific industry downturns or shifts in consumer preferences.

INVESTING IN CASH-FLOWING BUSINESSES RISKS

RISKS RELATED TO CASH FLOW

Volatility of Cash Flow	Cash flows from businesses may fluctuate significantly due to seasonality, economic conditions, customer demand or changes in operational efficiency. This variability can impact the predictability of returns.
Dependence on Key Customers	Many cash-flowing businesses rely heavily on a limited number of key customers. The loss of one or more of these customers could adversely affect business revenue and profitability.
Accounts Receivable Risk	Businesses may experience delays or defaults in collecting accounts receivable, impacting cash flow and liquidity.
Working Capital Constraints	Cash-flowing businesses may face working capital shortages that could impair their ability to meet obligations or sustain operations during periods of financial stress.

OPERATIONAL RISKS

Management Expertise	The success of cash-flowing businesses depends on the skill and experience of their management teams. Poor decisions or mismanagement could significantly impact operational performance and cash generation.
Operational Disruptions	Unanticipated disruptions, such as supply chain interruptions, equipment failures or labor strikes, may adversely affect business ability to maintain cash flow.
Scalability Challenges	Expanding operations to meet demand or grow revenue can strain resources, lead to inefficiencies or fail to generate anticipated returns, negatively affecting cash flow.
Compliance with Laws and Regulations	Cash-flowing businesses must adhere to a wide range of laws and regulations, including labor, environmental and tax laws. Non-compliance can lead to fines, penalties or operational restrictions.

INDUSTRY AND MARKET RISKS

Market Competition	Intense competition may pressure pricing, reduce market share and negatively impact cash flows. Businesses operating in highly competitive markets may face challenges sustaining profitability.
Economic and Market Conditions	The performance of cash-flowing businesses is often tied to broader economic conditions. Downturns in the economy, recessions or industry-specific challenges could reduce revenue and profitability.
Technological Disruption	Advances in technology or changes in consumer preferences may render business products, services or operations obsolete, reducing its ability to generate cash flow.

FINANCIAL RISKS

Debt Obligations	Cash-flowing businesses often rely on leverage to finance operations or growth. High levels of debt may strain cash flow, particularly during periods of declining revenue or rising interest rates.
Profit Margin Compression	Rising costs for labor, materials or other inputs may compress profit margins, reducing available cash flow for distributions or reinvestment.
Inaccurate Financial Projections	Investments in cash-flowing businesses are often based on projections that may not materialize. Overly optimistic forecasts can lead to lower-than-expected returns.

RISKS RELATED TO BUSINESS OWNERSHIP

Control and Decision Making	If the Fund holds a minority interest in the businesses it invests in, it may have limited influence over key decisions that could impact cash flow and returns.
Exit Risks	The ability to exit investments in cash-flowing businesses may be constrained by market conditions, buyer interest or contractual restrictions, potentially limiting liquidity and return realization.
Dependence on Key Individuals	Many businesses depend on the expertise, vision or relationships of key individuals. The loss of these individuals could materially affect business performance.

DUE DILIGENCE AND VALUATION RISKS

Limited Access to Information	The Fund may not have access to all relevant information during the due diligence process, increasing the risk of unexpected liabilities or performance issues.

Valuation Challenges	Cash-flowing businesses are often valued based on their projected cash flows or comparable transactions, which may not accurately reflect their fair market value. Overpaying for an investment could reduce returns.

TAX AND REGULATORY RISKS

Tax Law Changes	Changes in tax laws or regulations could impact the profitability and cash flows of the businesses, as well as the tax treatment of returns for Investors.
Licensing and Regulatory Requirements	Certain businesses may require licenses or permits to operate. Failure to obtain or maintain these can disrupt operations and cash flows.

INDUSTRY-SPECIFIC RISKS

Sector-Specific Volatility	Businesses operating in specific industries, such as hospitality, manufacturing or retail, may be exposed to unique risks, including cyclicality, regulatory changes or shifts in consumer demand.
Customer Concentration	Some businesses rely heavily on a small number of customers for a significant portion of their revenue. The loss of one or more key customers could have a material adverse effect on cash flows.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

Environmental Risks	Businesses may be subject to environmental regulations or liabilities, which can lead to increased costs or legal risks.
Social and Reputational Risks	Negative publicity, labor disputes or ethical concerns can impact customer loyalty and revenue.
Governance Risks	Weak governance practices may lead to inefficiencies, conflicts of interest or poor decision-making, reducing business cash flow.

RISKS TO FUND INVESTORS

Illiquidity	Investments in cash-flowing businesses are typically long-term and illiquid. Investors may have limited opportunities to redeem or sell their interests.
Potential for Loss	While cash-flowing businesses may generate steady income, they are not risk-free. Operational failures, market changes or other unforeseen circumstances could result in the loss of invested capital.

LITIGATION FINANCE RISKS

Investments in litigation finance present unique risks, including:

Case Outcome Uncertainty	Returns are contingent upon favorable legal outcomes, which are inherently unpredictable and subject to judicial discretion or settlement negotiations.
Prolonged Timeframes	Litigation often involves lengthy proceedings, which may delay the realization of returns and tie up investment capital for extended periods.
Recovery Risks	Even if a favorable outcome is achieved, the ability to recover awarded damages or settlement amounts depends on the financial condition and solvency of the opposing parties.
Legal and Regulatory Environment	Litigation finance is subject to evolving laws and regulations, including restrictions on funding arrangements or ethical considerations, which could impact the viability or profitability of investments.

OTHER INVESTMENT RISKS

Investments in Apartment Buildings, Senior Living Facilities and Commercial Properties	Many of the investment opportunities that the Company will likely invest in or lend money to are early-stage companies that are subject to all the risks that the Company presently faces. Although the Company intends to negotiate contractual protections covering these investments, there can be no assurance that these protections will ensure that the Company does not lose some or all the funds that it invests. If the Company were to lose some or all the funds that it invests, it could have a material adverse effect on its ability to pay any returns to Fund Contributors or to honor obligations as they come due. Investments in apartment buildings, senior living facilities and commercial properties involve unique risks. Apartment buildings are particularly vulnerable to the risks that the population levels, economic conditions, or employment conditions may decline in the surrounding geographic area. Any of these changes likely would have an adverse impact on the size or affluence of the tenant population in the area and a negative impact on the occupancy rates, rent levels and property values of apartment complexes in the area. Unlike many other types of real estate investments, apartment complexes do not have tenants occupying large portions of the property whose lease payments provide reliable sources of income for extended lease terms. Instead, apartment complexes typically have individual residential tenants with limited net worth and with lease terms that are typically for one year or less. Apartment buildings generally experience frequent tenant turnover due to factors such as transient populations, new competition in the area and changes in the tenants' economic status. In addition to continuously needing to replace vacating tenants, tenant turnover at apartment complexes causes the property owner to incur significant rehabilitation and maintenance costs in order to prepare units for new tenants.
Ownership or Operation of Multifamily/Residential Properties	The value and successful operation of multifamily and/or residential property may be affected by a number of factors, such as location, ability of management to provide adequate maintenance and insurance, types of services provided by property, level of mortgage rates, presence of competing properties, relocation of tenants to new projects with better amenities, adverse economic conditions in locale, amount of rent charged and oversupply of units due to new construction. Ownership or operation of multifamily/ residential properties will expose the Company to governmental regulations and restrictions (particularly the need to comply with municipal building codes and to obtain licenses and permits) and changes in applicable laws and regulations (including tax laws); adverse changes in local market conditions, population trends, neighborhood values, community conditions, general regional and local economic conditions, local employment conditions and unemployment rates, interest rates and real estate tax rates; changes in fiscal policies; and uninsured losses and other risks that are beyond the control of Manager. Real estate is subject to long-term cyclical trends that give rise to significant fluctuation and cycles in real estate values. There is no assurance the Company will be able to renovate, lease or sell any of its real estate properties as projected, which could have an adverse effect on the Company's ability to pay Fund Contributors when needed.
Ownership or Operation of Single Tenant Properties	Investments may be occupied or derive rental income from one tenant. The success of such Investments will be materially dependent on the financial stability of such tenants. If tenant defaults, the Company may experience delays in enforcing its legal rights and may incur substantial costs in protecting and re-letting the Investment. If a single tenant lease is terminated or an existing tenant elects not to renew a lease, there is no assurance the Company will be able to lease the property or for the amount previously received or sell the property without incurring a loss. The Company will continue to incur and have responsibility to pay all expenses associated with such property regardless of whether it is able to locate a new tenant and re-let the property. Accordingly, such tenant defaults or lease terminations will have a material adverse effect on the Company.
Dependance on the Performance of Property Managers	The Company may hire property managers to supervise daily operations of Investments. Property performance is highly dependent on the skills and continued performance of property managers. If a property manager is not capable of managing a project, the Company may not discover it for months, which could lead to unexpected losses. If a skilled property manager quits, the Company may not be able to find a replacement in a timely manner, which may lead to losses.
Changes in Regulations	States and local jurisdictions may implement statutes or regulations that make it more difficult or expensive for the Company to purchase residential real estate mortgage loans or to service residential real estate mortgage loans. If statutes or regulations are implemented, the Company may not be able to purchase enough residential real estate mortgage loans at desirable prices to be able to satisfy its obligations to pay the returns and to repay capital contributions to Fund Contributors.

Debt and Other Income Securities	The Company may invest in fixed-income and adjustable-rate securities. Income securities are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable-rate securities are less likely than non-adjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. Market risk relates to the changes in the risk or perceived risk of an issuer, industry, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial condition of the issuing entities. Income securities denominated in non-U.S. currencies are also subject to the risk of a decline in the value of the denominating currency relative to the U.S. dollar. The debt securities in which the Company may invest are not required to satisfy any minimum credit rating standard and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal. The Company may invest in bonds rated lower than investment grade, which may be considered speculative. The Company may also invest a substantial portion of its assets in high-risk instruments that are low rated, unrated or in default.

ONLINE RISKS

Information Technology	The Company relies on electronic systems to maintain records and evidence ownership of Investments and is susceptible to associated risks, including: power loss, computer systems failures and Internet, telecommunications or data network failures; operator negligence or improper operation by, or supervision of, employees; physical and electronic loss of data or security breaches, misappropriation and similar events; computer viruses; cyber-attacks, intentional acts of vandalism and similar events; hurricanes, fires, floods and other natural disasters. The Company relies on software that is highly technical and complex and depend on the ability of such software to store, retrieve, process and manage immense amounts of data. Software may contain errors or bugs. Errors may only be discovered after the code has been released for external or internal use. Errors or other design defects may result in a negative user experience, delay introductions of new features or enhancements, result in errors or compromise the ability to protect Investor data or its own intellectual property. Errors, bugs or defects could negatively impact Company operations and the ability to perform obligations.
Limited Operating History of Platform	Many of the platforms the Company relies on for operations may be in the early stages of development and have a limited operating history.
Dependency of Technology Provider	The Company has a dependency on its technology provider, Avestor Inc., to track investments, investors, earnings, performance and many other aspects of a Customizable Fund. If Manager determines it no longer wants to utilize Avestor Inc. to provide these services, there is a material risk to Members that another technology provider will not be able to do the calculations necessary and correctly.
Changes in Software and Alignment to PPM and Operating Agreement	As software advances rapidly, Company legal documents (PPM, Operating Agreement, Subscription Agreement) may not be fully updated or aligned with the latest changes in Avestor's software platform for customizable funds. This increases the risk that the calculation methodologies in the legal documents are not the most current methodologies.
Supplier or Platform Concentration	The Company could rely on a limited number of suppliers or platforms for originating its investments. A concentration in select suppliers or platforms may subject the Company to increased dependency and risks associated with those suppliers or platforms than it would otherwise be subject to if it were more broadly diversified across a greater number of suppliers or platforms. The Company may be more susceptible to adverse events affecting such suppliers or platforms, particularly if such suppliers or platforms were unable to sustain their current business models. In addition, many suppliers or platforms and/or their affiliated entities have incurred operating losses since their inception and may continue to incur net losses. The Company's concentration in certain suppliers or platforms may also expose it to increased risk of loss on its through such suppliers or platforms if such suppliers or platforms have, among other characteristics, lower minimum eligibility requirements, or

have deficient procedures for conducting analyses as part of their processes, relative to other suppliers or platforms.

Supplier or Platform Reliance	The Company is dependent on the continued success of the suppliers or platforms that support and/or originate the Company's Investments and the Company materially depends on such suppliers or platforms for data. If such suppliers or platforms were unable or impaired in their ability to operate their business, the Company may be required to seek alternative sources of support investments (e.g., investments offered by other suppliers or platforms), which could adversely affect the Company's performance and/or prevent the Company from pursuing its investment objective and strategies. In order to sustain its business, suppliers or platforms and their affiliated entities may be dependent in large part on their ability to raise additional capital to fund their operations. If a supplier or platform and its affiliated entities are unable to raise additional capital, they may be unable to continue operations. The Company may have limited knowledge about the underlying Investments in which it invests and will be dependent upon the suppliers or platform for information on the Investments. Some Investors, including the Company, may not review the particular characteristics of the Investments in which they invest at the time of investment, but rather negotiate in advance with suppliers or platforms the general criteria of the Investments. As a result, the Company is dependent on the suppliers or platforms' ability to collect, verify and provide information to the Company about each Investment.
Lack of Insurance	Company assets are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the United States Federal Deposit Insurance Corporation or with brokers insured by the U.S. Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage (which, in any event, is limited in amount). Therefore, in the event of the insolvency of a depository or custodian, the Company may be unable to recover all of its funds or the value of its securities so deposited.

STRATEGY RISKS

Concentration of Investments	The Company is not subject to limitations on the amount of capital it may commit to any one investment, security type or geographic location. There could be a loss in value if the value of the investment property as a group moves in an unfavorable direction and generates such a significant loss that recovery is unlikely resulting in portfolio liquidation at unfavorable valuations.
Leverage	The Company may use leverage as a part of its investment program, including the use of borrowed funds. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts loaned, they also increase the risk of loss. To the extent the Company makes investments with borrowed funds, its net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect Company operating results. If the interest expense on borrowings were to exceed the net return on the Investments made with borrowed funds, the Company's use of leverage would result in a lower rate of return than if the Company were not leveraged.
Illiquid Investments	Company assets consist of real-estate investments, whether directly or indirectly, and other debts and obligations for which no market may exist and/or which are restricted as to transferability. Because of the absence of any ready trading or selling market for Investments, the Company may take longer to liquidate Investments than would be the case for publicly traded securities.
Systems Risks	The Company depends on Manager to develop and implement appropriate systems for Company activities. The Company relies extensively on computer programs and systems to invest, to evaluate certain investments, to monitor its portfolio and net capital and to generate risk management and other reports that are critical to oversight of the Company's activities. The ability of its systems to accommodate an increasing volume of transactions could also constrain Manager's ability to manage the portfolio. In addition, certain of the Company's and Manager's operations interface with or depend on systems operated by third parties, including prime brokers and market counterparties and their respective sub-custodians, and other service providers, and the Company or Manager may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by worms, viruses and power failures. Any such defect or failure could have a material adverse effect on the Company. For example, such failures could lead to inaccurate accounting and cause inaccurate reports, which may affect the Company's ability to monitor its investment portfolio and its risks. Manager is not liable to the Company for losses caused by systems failures or due to any breakdown

in the means of the communication normally used to ascertain the value of the Company's Investments or to conduct trading in such Investments.

MANAGEMENT RISKS

Reliance on Manager and no Authority by Members	All decisions regarding the management and affairs of the Company will be made exclusively by Manager. Accordingly, no person should invest in the Company unless they are willing to entrust all aspects of Company management to Manager. Members will have no right or power to take part in the management of the Company. As a result, Company success depends solely on Manager.
Dependence on Key Personnel	Manager is dependent on the services of the Principals and there can be no assurance that it will be able to retain the Principals. The departure or incapacity of the Principals could have a material adverse effect on the Company.
Changes in Investment Strategies	The Company's investment strategies may be altered with the approval of a majority-in-interest of Members. A Member who does not consent may be outvoted by other Members in which case the opposing Member may only withdraw from the Company pursuant to the terms of the Operating Agreement and subject to the limitations therein.
Proprietary Nature of Investment Strategy	All documents and other information concerning the Company's portfolio of investments will be made available to the Company's auditors, accountants, attorneys and other agents in connection with the duties and services performed by them on behalf of the Company. However, because Manager's investment techniques may be proprietary, the Operating Agreement will provide that neither the Company nor any of its auditors, accountants, attorneys or other agents will disclose to any person, including Investors in the Company, any of the investment techniques employed by Manager in managing the Company's Investments or the identity of specific Investments held by the Company at any particular time.
Limitations on Liability and Indemnification	The Operating Agreement provides that Manager and any Indemnified Party, shall not be liable, responsible nor accountable in damages or otherwise to the Company or any partner, or to any successor, assignee or transferee of the Company or of any Fund Contributor, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on such Indemnified Party by the Operating Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by such Indemnified Party of, or the omission to perform, any acts on advice of legal counsel, accountants or other professional advisors to the Company; (iii) the negligence, dishonesty, bad faith or other misconduct of any consultant, employee or agent of the Company, including, without limitation, an affiliate of Manager selected or engaged by such Indemnified Party with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith or other misconduct of any person in which the Company invests or with which the Company participates as a partner, member, joint venture or in another capacity, which was selected by such Indemnified Party with reasonable care and in good faith. No Indemnified Party shall be liable to the Company or to any Member, or any successors, assignees or transferees of the Company or any Fund Contributor for any loss, damage, expense or other liability due to any cause beyond its reasonable control, including, but not limited to, strikes, labor troubles, riots, fires, blowouts, tornadoes, floods, bank moratoria, trading suspensions on any exchange, acts of a public enemy, insurrections, acts of God, acts of terrorism, failures to carry out the provisions hereof due to prohibitions imposed by law, rules or regulations promulgated by any governmental agency, or any demand or requisition by any government authority. Furthermore, to the fullest extent permitted by law, the Company, in Manager's sole discretion, shall indemnify and hold harmless each Indemnified Party from and against any loss, liability, damage, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Company, the Operating Agreement or any investment made or held by the Company (including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim), provided that such acts, omissions or alleged acts or omissions upon which such actual or threatened action, proceeding or claim are based are not found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence by such Indemnified Party, or (ii) any acts or omissions, or alleged acts or omissions, of any broker or agent of any Indemnified Party, provided that such broker or agent was selected, engaged or retained by the Indemnified Party in accordance with reasonable care. The Operating Agreement also provides that the Company will, in the sole discretion of Manager, advance to any Indemnified Party attorneys' fees and other costs and

	expenses incurred in connection with the defense of any action or proceeding which arises out of such conduct.
Limited Reporting	The Company will provide quarterly unaudited reports of Company activity. As a result, Members will not be able to evaluate the Company's activity at shorter intervals. Additionally, as a result of side letter arrangements, questions, due diligence requests, meetings or other communications, certain Members may receive information that is not generally available or otherwise provided to other Members, which may affect such Members' decision to request a withdrawal of their respective Capital Accounts or take other actions on the basis of such information.
No Right to Participate in Management	Members have no right to participate in Company management except as specifically provided in the Securities Act. The management of the business and affairs of the Company will be vested exclusively in Manager and Members have no right to participate in many decisions which may materially affect the value of his, her or its investment.
Use of Proceeds	The Company will periodically evaluate the *USE OF PROCEEDS* to determine whether it should be changed. Manager may alter the *USE OF PROCEEDS* without notice to or approval of Members. There is no assurance Manager will follow the *USE OF PROCEEDS* in this PPM, which may materially change. Accordingly, Manager will have significant discretion in applying the net proceeds of this Offering. Manager failure to apply funds effectively could have a material adverse effect on Company business, prospects, financial condition and results of operations.

OTHER RISKS

No Operating History	The Company is a recently formed entity and has no operating history upon which Investors can evaluate its performance. There is no assurance that the Company will achieve its investment objective.
Investment Model is New and Untested	The Company's business model is untested and depends on the availability of real estate investments and cash flow to pre-fund investments. If Manager fails to find attractive investment opportunities on an ongoing basis, Investors returns would be limited. Similarly, if Manager fails to attract new Investors or if distributions/returned principal is limited, the capital available to make new investments and corresponding Units will be limited. In such scenarios, Investor funds may sit idle until new Units are available that meet their profile. This will result in an overall decrease on Investor return.
Risk of Loss	Members could incur substantial or even total loss on an investment in the Company. An investment in the Company is only suitable for persons willing to accept this high level of risk.
Valuation Risk	Many of the Company's Investments may be difficult to value. Where market quotations are not readily available or deemed unreliable, the Company will value such Investments in accordance with fair value procedures adopted by Manager. Valuation of illiquid investments may require more research than for more liquid investments. In addition, elements of judgment may play a greater role in valuation in such cases than for Investments with a more active secondary market because there is less reliable objective data available. An instrument that is fair valued may be valued at a price higher or lower than the value determined by other funds using their own fair valuation procedures. Prices obtained by the Company upon the sale of such Investments may not equal the value at which the Company carried the Investment on its books, which would adversely affect the value of the Company.
Effect of Substantial Withdrawals	Substantial withdrawals by Members within a short period of time could require the Company to delay its planned Investments than would otherwise be desirable, possibly reducing the projected value of the Company's assets and/or disrupting the Company's investment strategies. Reduction in the Company's size could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Company's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.
Lack of Liquidity	The Company's withdrawal provisions place certain restrictions on Member right to withdraw all or part of its Interest, transfer its Interest and pledge or otherwise encumber its Interest. Members may not be able to liquidate their entire Capital Account on any given withdrawal date. Interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by federal and state securities and commodities laws and as provided in the Operating Agreement. The Operating Agreement does not permit Members to transfer or pledge all or any part of its Interest to any person without the prior written consent of Manager, the granting of which is in Manager's sole and absolute discretion. These limitations will significantly limit Member ability to liquidate an investment in the Company quickly. As a result, investment in the Company is not suitable for Investors who need liquidity.

Suspension of Withdrawals and Deferment of Withdrawal Proceeds	Manager, in its sole and absolute discretion, may suspend the valuation of the Company assets, the right or obligation to honor withdrawal requests (including the right to receive withdrawal proceeds) and/or extend the period for payment on withdrawal. In addition, Manager may suspend the right of withdrawal or postpone the date of payment for any period during which there is an extraordinary circumstance as determined in good faith by Manager.
Contingency Reserves	The Company may find it necessary to set up one or more reserves for contingent or future liabilities or valuation difficulties and, upon withdrawal by a Member, withhold a portion of that Member's withdrawal proceeds. This could happen, for example, if the Company or any issuer of portfolio securities were involved in a dispute regarding the value of its assets, in litigation or subject to a tax audit at the time the withdrawal request would otherwise be satisfied.
Tax Considerations; Distributions to Members and Payment of Tax Liability	It is not possible to provide a description of all potential tax risks of investing in the Company. Investors are urged to consult their own legal counsel and tax advisors with respect thereto, particularly in regard to the effect of the Tax Cuts and Jobs Act ("***TCJA***"), enacted December 22, 2017, with respect to investment in the Company. The Company will not seek a ruling from the IRS with respect to any tax issues affecting the Company. It should also be understood that the Company's tax return may be audited by the IRS. Any such audit may result in an audit of the returns of Members for the year(s) in question or unrelated years. Fund audit rules in the Bipartisan Budget Act of 2015 (Public Law No. 114-74) ("***BBA"***) may have a significant effect on IRS audits of the Company and its Fund Contributors. Further, any adjustment resulting from an audit would also result in adjustments to the tax returns of Members and may result in an examination and adjustment of other items in such returns unrelated to the Company. Members could incur substantial legal and accounting costs in litigation of any IRS challenge, regardless of the outcome.
Distributions	Company operating expenses may exceed revenue, thereby resulting in no cash available for distribution. At the discretion of Manager, the Company pays fees to Manager that increase as more Capital Contributions are received by the Company. Accordingly, as this Offering brings more Capital Contributions to the Company, these fees are likely to increase, reducing available cash. Furthermore, Manager has complete discretion to withhold from distribution part or all of the Company's net cash from operations which is otherwise available for distribution after the payment of expenses, if it determines that such funds are reasonably required for working capital or reserves for fixed or contingent liabilities of the Company. Accordingly, there can be no assurance that the operations of the Company will be profitable or that any distributions will be available or made.
Delayed Schedules K-1	The Company may not be able to provide final Schedules K-1 for any given fiscal year until significantly after April 15 of the following year. The Company will provide Schedules K-1 as soon as practical after receipt of all of the necessary information. Members should be prepared to obtain extensions for filing their income tax returns at the U.S. Federal, state and local levels.
Undistributed Income	Manager in its sole discretion may, but is not required to, make distributions to Members during the term of the Company. Taxable income realized in any year by the Company will be taxable to Members in that year regardless of whether they have received any distributions from the Company. Accordingly, Members may recognize taxable income for federal, state and local income tax purposes without receiving any or a sufficient distribution from the Company with which to pay the taxes thereon. Manager may consider such possible tax liability of Members when determining whether to make distributions, but no assurance is given that distributions, if made, will equal the amount of any Member's tax liability.
Restrictions on Transfer	Interests are subject to certain restrictions on transfer, including a requirement that Manager consent to any such transfer. There is no present market for the Interests and no market is likely to develop in the future. Accordingly, Members may not be able to liquidate their investment in the event of an emergency or for any other reason and Interests may not be readily acceptable as collateral for loans. Interests should be purchased only by Investors who can bear the economic risk of their investment, who can afford to have their funds committed to an illiquid investment according to the withdrawal provisions in the Operating Agreement and who, if necessary, can afford a complete loss of their investment (s*ee "Restrictions on Transfers of Interests"*).
Lack of Insurance	The assets of the Company are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the Federal Deposit Insurance Corporation or with brokers insured by the Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage.

	Therefore, in the event of the insolvency of a depository or custodian, the Company may be unable to recover all of its funds or the value of its securities so deposited.
Side Letters	Manager may enter into agreements with certain Members that will result in different terms of an investment in the Company than the terms available to other Members. As a result of such agreements, certain Members may receive additional benefits which other Members will not receive (e.g., additional information regarding the Company's portfolio, different withdrawal terms or lower fees). Manager will include in the *Individual Investment Disclosure* available to other Members a summary of any such agreement or any of the rights and/or terms or provisions thereof, and why it was beneficial, but MAY choose to not disclose the name of the specific Member. However, Manager is required to offer such additional and/or different terms or rights to any Member who can comply with the terms offered.
Regulations under Investment Company Act of 1940	In certain situations, the Company's operations may be similar to an investment company as defined under the Investment Company Act, because the Company engages in the business of purchasing Interests for investment. The Company is currently not required to register under the Investment Company Act due to exemption 3(c)(1) for an entity which is beneficially owned by not more than 100 persons and does not intend to make a public offering of its Interests. Accordingly, the provisions and extensive regulations of the Investment Company Act, which might otherwise govern the activities of the Company, will not be applicable.
Risks for Certain Benefit Plan Investors Subject to ERISA	Investors subject to ERISA and Department of Labor Regulations issued thereunder should read *ERISA CONSIDERATIONS* in its entirety for a discussion of certain risks related to an investment by benefit plan Investors.
Revised Regulatory Interpretations Could Make Certain Strategies Obsolete	In addition to proposed and actual accounting changes, there have recently been certain well-publicized incidents of regulators unexpectedly taking positions which prohibited trading strategies which had been implemented in a variety of formats for many years. In the current unsettled regulatory environment, it is impossible to predict if future regulatory developments might adversely affect the Company.
Compliance, Litigation and Claims	The Company must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions as well as compliance and reporting requirements imposed on Commodity Pool Operators ("***CPOs***") by the Commodity Futures Trading Commission ("***CFTC***") and National Futures Association ("***NFA***"). Should any of these laws change over the term of the Company, the legal requirements to which the Company and Members may be subject could differ materially from current requirements. These compliance and reporting requirements may also prove expensive for the Company and time consuming for Manager. The Company and Manager as independent legal entities may also be subject to lawsuits or proceedings by government entities or private parties. Except in the event of a lawsuit or proceeding arising from Manager's willful malfeasance, bad faith or gross negligence in the performance of its duties, expenses or liabilities of the Company arising from any suit or proceeding shall be borne by the Company. Under certain circumstances, the Company may find it necessary to establish a reserve for contingent liabilities or withhold a portion of a Member's settlement proceeds at the time of withdrawal, in which case, the reserved portion would remain at the risk of the Company's activities.
Future Regulatory Change is Impossible to Predict	The securities markets are subject to comprehensive statutes, regulations and margin requirements. In addition, the SEC and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities both inside and outside the United States is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Company is impossible to predict but could be substantial and adverse.
Investments in Early-Stage Companies	Many of the investment opportunities the Company will likely invest in or lend money to are early-stage companies subject to all the risks the Company presently faces. Although the Company intends to negotiate contractual protections covering these Investments, there is no assurance the Company will not lose some or all the funds it invests in these companies. If the Company were to lose some or all the funds it invests, it could have a material adverse effect on its ability to pay returns, if any, to Members, to redeem Member Interests or have funds available for future distribution.

CYBERSECURITY RISKS

Cybersecurity Risks	Advisers and funds play an important role in the financial markets and increasingly depend on technology for critical business operations. Advisers and funds are exposed to, and rely on, a broad array of interconnected systems and networks, both directly and through service providers such as custodians, brokers, dealers, pricing services and

	other technology vendors. Advisers also increasingly use digital engagement tools and other technology to engage with clients and develop and provide investment advice. As a result, they face numerous cybersecurity risks and may experience cybersecurity incidents that can cause, or be exacerbated by, critical system or process failures.
Cyber Security Breaches and Identity Theft	The technology systems used by Manager may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Manager has implemented certain measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Manager and/or the Company may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Company and/or Manager and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Investors. Such a failure could harm Manager's and/or the Company's reputation and subject them and their affiliates to legal claims and may otherwise affect their business and financial performance. • **Written Policies and Procedures-** Manager will adopt and implement written policies and procedures that are reasonably designed to address cybersecurity risks; • **Reporting of Significant Cybersecurity Incidents-** Manager as required will report significant cybersecurity incidents to the SEC on proposed Form ADV-C—an appendix to the publicly available Form ADV; • **Disclosure of Cybersecurity Risks and Incidents-** Manager will disclose cybersecurity risks and incidents to Members, as well as incidents that occurred in the last two fiscal years, as required; and • **Recordkeeping-** Manager will maintain, make and retain certain cybersecurity-related books and records as may be required by the SEC.

CRYPTOCURRENCY RISKS

High Volatility	Volatility is one of the factors driving the crypto market. Volatility is the sudden shift in market sentiment that can result in significant and rapid price movements. Volatility is not only concerned with the crypto market. It is visible in other financial sectors but the intensity and spread is higher in the crypto space. There are several reasons for the high volatility in the concerned asset class, including its nascent schematics as compared to other forms of investment.
Lack of Regulations	The legal stance of cryptocurrencies took quite a tumultuous ride in 2021, with the ultimate question, "to regulate or not to regulate crypto assets." While speculation and fake news regarding the topic made the market plunge, the government eventually chose to hold back as of the date of this PPM. There are significant differences in the legal premise of digital currencies among the various regulatory agencies. On the one hand, regulators are concerned that criminals and terrorist groups may use bitcoin and other cryptocurrencies. On the contrary, some regulators are inclined towards a more accommodative regulatory standpoint, advocating growing awareness and use-cases of the underlying technologies.
Market Risks	Like other commodities, crypto assets are exposed to risks arising from market movement. There are two types of risks associated with cryptocurrency trading, i.e., systematic risks and unsystematic risks. The systematic risk is present in all cryptocurrencies because it is inherent in the crypto markets. Unsystematic risk, which is particular to a single crypto asset, could involve a change in the Company's fundamentals.
Tax-based Concerns	There is some uncertainty regarding the tax status of cryptocurrency investments and returns. Depending on the jurisdiction, bitcoins and other cryptocurrencies may be classified as assets in certain countries and as currency in others.
Cyber Risks	While cryptocurrency might be the dawn of a new age, it also has a lesser-known counterpart: cybercrime. Since cryptocurrencies are fully decentralized, the crypto holders' cyber hygiene and safeguards are the number one priority. "Unusual disappearances" and ransomware attacks are both complicated and fast-moving threats in the crypto environment and newbies to the crypto ecosystem often become a target. Before entering the crypto market, it is necessary to be aware of these dangers. It is essential to understand the security measures undertaken by exchanges you invest in and the safeguards they deploy.
Misunderstanding Accounting on Valuation	Due to concerns regarding the way these reports are prepared and whether audited or unaudited and whether they are understood by the public, some accounting firms have

and Proof-of-Reserves Reports	discontinued preparing them and there is a risk if they are available, you may not understand them and they may not be audited.
Accounting Firm Role	The role accounting firms play in the cryptocurrency industry has gained fresh attention by regulators since the collapse of FTX.
Inherent Risks Stablecoins Pose	• The governance and management of the stablecoin arrangements pose a risk (including decisions on composition of reserves, reserve custodians and redemption) as there is no clear and universally accepted entity (usually these are token holders) responsible for governance, compliance and the management of risks. • The collateral assets underpinning the stablecoin could diminish in value, should fire sales need to occur in order for users to redeem their stablecoins quickly; in turn, affecting the broader financial market. • There is currently legal uncertainty surrounding the classification, rights and obligations of parties to a stablecoin arrangement. • Clarity and transparency of the transfer or exchange function of stablecoins is blurred by software automation. Traditionally, identifiable entities are held responsible for decisions made by financial market institutions. However, for stablecoins, such decisions are performed by smart contract technology. This means that in a stablecoin arrangement it is unclear which entity should be held accountable.
No Licensing Regime	There is currently no licensing regime: • measure to safeguard payments to service customer's funds; • establish procedures to monitor, handle, report and follow up on security breaches; • file, monitor and track sensitive payment data; • for business continuity arrangements and contingency plans; • establish a security policy; • create a risk-management and mitigation framework; and • monitor internal control mechanisms to comply with anti-money laundering obligations.

CORPORATE TRANSPARENCY ACT RISK FACTORS

USA PATRIOT Act and Corporate Transparency Act	The Company may be subject to the USA PATRIOT Act and the Corporate Transparency Act and the failure to comply could result in fines or penalties. The Company may be subject to the U.S. Bank Secrecy Act, as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("***USA PATRIOT Act***"), the Corporate Transparency Act ("***CTA***") and other anti-money laundering ("***AML***"), anti-terrorism and similar laws and regulations adopted by the U.S. and other jurisdictions. The USA PATRIOT Act requires subject businesses to establish AML compliance programs that must include policies and procedures to verify investor identity at account opening and to detect and report suspicious transactions to the government. Institutions subject to the USA PATRIOT Act must also implement specialized employee training programs, designate an AML compliance officer and submit to independent audits of the effectiveness of the compliance program. Compliance with the USA PATRIOT Act may result in additional financial expenses for the Company and may subject Company to additional liability. The Company's failure to comply with applicable regulations of the Treasury Department's Office of Foreign Assets Control ("***OFAC***") could have similar or additional negative consequences to those under the USA PATRIOT Act. The CTA, which became law on January 2, 2021 as part of the National Defense Authorization Act for Fiscal Year 2021, requires ***Reporting Companies*** to disclose information regarding their ultimate beneficial ownership. It is expected that the Company will qualify as a Reporting Company. Beneficial ownership refers to the real, natural person or persons that own and control an entity at the point of formation, determined by whether an individual either (1) exercises "substantial control" over the entity's activities, (2) owns or controls at least 25% of the ownership interests in the entity, or (3) receives "substantial economic benefits" from the entity's assets. Failure to meet disclosure requirements under the CTA could result in large fines or criminal penalties. The Financial Crimes Enforcement Network ("***FinCEN***"), a bureau of the United States Department of the Treasury, will administer the CTA. Because the CTA is a new law, its full application is still relatively uncertain. On September 29, 2022, FinCEN published regulations and is expected to continue to publish regulations that clarify and elaborate on the provisions of the CTA. Disclosure is mandatory after the FinCEN regulations are published and after the effective date of the CTA, January 1, 2024. Prior to the publication of such regulations, it is unclear the extent to which beneficial ownership disclosure rules

will apply to Investors. However, it is anticipated that the CTA will apply to Investors who, directly or indirectly, either (i) exercise substantial control over the Company or (ii) own or control at least 25% of the ownership Interests of the Company.

If the CTA applies to an Investor, the Company and/or Manager will disclose to FinCEN the following information pertaining to such Investor: (1) full legal name, (2) date of birth, (3) current address and (4) unique identifying number (e.g., a passport number or driver's license number). It is important to note that these disclosures will not be made public. Instead, these disclosures will be made directly to FinCEN, which is expected to maintain a private database of the information accessible only by law enforcement officials and, in certain cases, regulated financial institutions. Inadvertent or otherwise unlawful disclosure of beneficial ownership information can result in penalties.

AML, ECONOMIC SANCTIONS AND OTHER REGULATORY ACTIONS

AML and Countering Terrorism Financing

A major focus of U.S. policy and regulation relating to financial institutions has been to combat money laundering and terrorist financing and to assure compliance with U.S. economic sanctions in respect of designated countries, territories, individuals and entities. In 2001, the U.S. Congress enacted the USA PATRIOT Act, which amended the Bank Secrecy Act ("***BSA***") and imposed significant new anti-money laundering/countering terrorism financing ("***AML/CFT***") compliance program requirements on U.S. banks and other financial institutions, including the U.S. branches, agencies and representative offices of foreign banks. Those requirements include record-keeping and customer identification requirements, a system of internal controls to ensure compliance, designation of chief AML compliance officer, independent testing for compliance and a training program for appropriate personnel.

The USA PATRIOT Act also expanded the government's powers to freeze or confiscate assets and increased the available penalties that may be assessed against financial institutions. The USA PATRIOT Act required the U.S. Treasury Secretary to adopt regulations with respect to anti-money laundering and related compliance obligations of financial institutions. The U.S. Treasury Secretary delegated this authority to FinCEN. Under FinCEN regulations, including the Customer Due Diligence Rule that became effective in May 2018, the AML/CFT compliance program requirements for banks also include maintaining appropriate risk-based procedures that are reasonably designed to (i) identify and verify the identity of customers, (ii) identify and verify the identity of certain beneficial owners of their legal entity customers, (iii) understand the nature and purpose of customer relationships for the purpose of developing a customer risk profile and (iv) conduct ongoing monitoring to identify and report suspicious transactions, and on a risk basis, to maintain and update customer information.

The AML/CFT compliance requirements of the BSA and the USA PATRIOT Act as amended by the Anti-Money Laundering Act of 2020,and other applicable legislation, as implemented by FinCEN, impose obligations on the Company that include among other things maintaining appropriate policies, procedures and controls to detect, prevent and report money laundering and terrorist financing, to identify and verify the identity of their customers and of certain beneficial owners of legal entity customers, report suspicious transactions, implement due diligence procedures for certain correspondent and private banking accounts and otherwise to comply with FinCEN regulations.

The Anti-Money Laundering Act of 2020, which was enacted as part of the National Defense Authorization Act for Fiscal Year 2021 to streamline, modernize and update the U.S. AML/CFT regime, made a number of other changes to the AML/CFT provisions of the BSA and the USA PATRIOT Act, including requiring the U.S. Treasury Department to identify and to update periodically its national anti-money laundering priorities and requiring financial institutions to incorporate those priorities in their compliance programs, clarifying the applicability of the BSA with regard to virtual currency, increasing the amount of penalties to be imposed for violations, enhancing protections for whistleblowers and requiring FinCEN to establish a national registry of beneficial ownership information for a broad range of business entities.

The establishment of the national registry, which is required under the Corporate Transparency Act provisions of the Anti-Money Laundering Act of 2020, would accomplish broadly similar objectives as the FinCEN Customer Due Diligence Rule ("***CDD***"), although the compliance obligations are to be imposed on reporting companies rather than on financial institutions which are already subject to CDD requirements. While certain provisions of the Anti-Money Laundering Act of 2020, such as the increased penalties to be imposed for violations, are self-executing, the precise regulatory requirements imposed by most of the provisions of the Anti-Money Laundering Act of 2020 will become clear through future studies, reports, rulemaking and implementing regulations issued by FinCEN, the process of which are currently underway.

The Company must also comply with the regulations of the U.S. Department of Treasury's OFAC. OFAC administers and enforces economic and trade sanctions

against targeted foreign countries, individuals, entities and organizations in order to carry out U.S. foreign policy and national security objectives. Generally, the regulations require that property and interests in property of specified targets be blocked and prohibit direct and indirect trade and financial transactions relating to sanctioned countries or sanctioned parties unless a license has been issued by OFAC. Blocked assets and rejected transactions must be reported to OFAC. Failure of the Company to maintain and implement adequate programs to combat money laundering and terrorist financing and to comply with U.S. economic sanctions, could have serious legal and reputational consequences.

COMPLIANCE WITH AML REQUIREMENTS AND SANCTIONS

AML Compliance and Sanctions

Manager will use reasonable efforts at the Company's expense to comply with the applicable provisions of the U.S. Bank Secrecy Act of 1970, as amended by Title III of the USA PATRIOT Act and other anti-money laundering, anti-terrorism and similar laws, rules and regulations adopted by the U.S. Department of the Treasury (the "***Treasury***") or any other governmental authority with jurisdiction over the Company. In order to ensure compliance, Manager may request each Investor to provide documentation verifying, among other things, Investor's identity and source of funds used to purchase its Interest.

Manager will screen each Investor against the List of Specially Designated Nationals and Blocked Persons administered by OFAC prior to admitting such Investor, and each time, and from time to time, prior to distributing or otherwise disbursing any funds to such Investor. Requests for documentation and additional information may be made at any time during which an Investor holds an Interest.

Manager may be required to provide this information, or report the failure to comply with such requests, to appropriate governmental authorities, in certain circumstances without notifying Investor the information has been provided.

Depending on the circumstances of each subscription, a detailed verification may not be required if and to the extent that: (i) the Investor is a recognized financial institution which is regulated by a recognized regulatory authority and carries on business in the United States; or (ii) the subscription is made through a recognized intermediary, such as a third-party broker-dealer registered with the SEC or another financial institution which is subject to the AML program regulation of FinCEN, an office of the Treasury, and required to implement a customer identification program pursuant to the U.S. Bank Secrecy Act, as amended by the USA PATRIOT Act and its implementing rules and regulations.

The Company and Manager reserve the right to request such information as they deem necessary to verify the identity of an Investor. In the event of delay or failure by the Investor to produce any information required for verification purposes, the Company and/or Manager may refuse to accept the subscription and any funds received will be returned without interest to the account from which such funds were originally debited. The Company and Manager reserve the right to refuse to make any distribution or other payment to an Investor if Manager suspects or is advised that such payment might result in a breach or violation of any applicable AML or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure compliance by the Company, Manager or its affiliates with any such laws or regulations in any relevant jurisdiction.

FinCEN and other U.S. Government agencies, as well as many non-U.S. jurisdictions, are in the process of changing or creating AML, embargo and trade sanctions, or similar laws, regulations, requirements (whether or not with force of law) or regulatory policies and many financial institutions are in the process of changing or creating responsive disclosure and compliance policies (collectively "***Additional Requirements***") and the Company could be requested or required to obtain additional information to verify the identity of potential and existing Investors, obtain assurances from Investors subscribing for Interests, disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future.

In this regard, on January 1, 2021, the CTA became law. Under the CTA, corporations, limited liability companies and other similar entities that are organized within any U.S. state (including the District of Columbia, Puerto Rico and other U.S. territories) or Indian tribe and non-U.S. entities that are registered in a U.S. state to do business in that state, and that do not satisfy any exception (each a "***Reporting Company***"), must report to the Treasury certain identifying information regarding their beneficial owners.

The Act defines a "***beneficial owner***" of a Reporting Company as an individual who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, (i) exercises "substantial control" over the Reporting Company or (ii) owns or controls 25% or more of the ownership interest of the Reporting Company. The CTA

directs FinCEN to adopt final regulations that implement the CTA. U.S. Reporting Companies created, or non-U.S. Reporting Companies registered to do business in the United States for the first time, on or after the effective date of the final FinCEN regulations would be required to file their initial report with FinCEN within 14 calendar days of the date on which they are created or registered, respectively. U.S. Reporting Companies created, or non-U.S. Reporting Companies registered to do business in the United States, before the effective date of the final regulations would have one year following the effective date of the final FinCEN regulations to file their initial report with FinCEN.

Manager in its sole discretion may require each Investor to furnish a copy of the completed beneficial ownership report or other filing submitted by the Reporting Company to the Treasury pursuant to the CTA. It is the policy of the Company and Manager to comply with any Additional Requirements to which any of the Company, Manager and/or their respective agents and affiliates may become subject and to interpret them broadly in favor of disclosure. Investor will agree in its Subscription Agreement and will be deemed to have agreed by reason of owning any Interests, that it will provide additional information or take such other actions as may be necessary or advisable for Manager (in its sole discretion) to comply with any Additional Requirements, related legal processes or appropriate requests (whether formal or informal) or otherwise.

Each Investor by executing a Subscription Agreement consents, and by owning Interests is deemed to have consented, to disclosure by the Company, Manager and their respective agents and affiliates to relevant third parties of information pertaining to such requirements and any Additional Requirements or information requests related thereto. Failure to honor any such request may result in compulsory redemption by the Company or forced sale to another Investor of such Investor's Interests. The Company, Manager and their respective agents and affiliates will disclose any and all information required or requested by governmental or other authorities as required by or in connection with the U.S. Bank Secrecy Act, as amended by Title III of the USA PATRIOT Act and other AML, anti-terrorism and similar laws, rules and regulations including, without limitation, Executive Order 13224.

RISK FACTORS EVALUATION STATEMENT

THE FOREGOING RISK FACTORS ARE NOT A COMPLETE LIST OR EXPLANATION OF THE RISKS INVOLVED IN THE OFFERING. INVESTORS SHOULD READ THIS ENTIRE PPM, THE OPERATING AGREEMENT AND ALL EXHIBITS AND CONSULT THEIR OWN ADVISERS BEFORE SUBSCRIBING. AS THE COMPANY INVESTMENT PROGRAM DEVELOPS AND CHANGES OVER TIME, AN INVESTMENT IN THE COMPANY MAY BE SUBJECT TO ADDITIONAL AND DIFFERENT RISK FACTORS.

POTENTIAL CONFLICTS OF INTEREST

Manager and/or its Affiliated Persons will only devote so much time to the affairs of the Company as is reasonably required in the judgment of Manager. Affiliated Persons will not be precluded from engaging directly or indirectly in any other business or other activity, including exercising investment advisory and management responsibility and buying, selling or otherwise dealing with securities and other investments for their own accounts, for the accounts of family members, for the accounts of other funds and for the accounts of individual and institutional clients (collectively "***Other Accounts***").

Other Accounts may have investment objectives or may implement investment strategies similar to those of the Company. The Affiliated Persons may also have investments in Other Accounts. Affiliated Persons may give advice and take action in the performance of their duties to Other Accounts that could differ from the timing and nature of action taken with respect to the Company. Affiliated Persons have no obligation to purchase or sell for the Company any investment Affiliated Person purchases or sells, or recommend for purchase or sale, for their own accounts or for any Other Account. The Company has no right of first refusal, co-investment or other rights in respect to the investments made by Affiliated Persons for Other Accounts, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that the Company and one or more Other Accounts should purchase or sell the same investments at the same time, Affiliated Persons will allocate these purchases and sales as is considered equitable to each. Members have no right to participate in any manner in any profits or income earned or derived by or accruing to Affiliated Persons from the conduct of any business or from any transaction in investments effected by Affiliated Persons for any account other than that of the Company.

Affiliated Persons will attempt to allocate investment opportunities that come to their attention on a fair and equitable basis among the Company and Other Accounts for which participation in the respective opportunity is considered appropriate. In determining whether participation is appropriate, Affiliated Persons shall take into account, among other considerations: (a) whether the risk-return profile of the proposed investment is consistent with the objectives of the Company, which objectives may be considered (i) solely in light of the specific investment under consideration or (ii) in the context of the portfolio's overall holdings and available capital; (b) the potential for the proposed investment to create an imbalance in the portfolio of the Company; (c) liquidity requirements of the Company; (d) potential tax consequences; (e) legal or regulatory restrictions; (f) the need to re-size risk in the portfolio of the Company; and (g)

whether the Company and/or Other Accounts have a substantial amount of investable cash (*e.g.*, during a "ramp-up" period).

Notwithstanding the foregoing, there can be no assurance that an investment opportunity which comes to the attention of any Affiliated Persons will not be allocated to another account, with the Company being unable to participate in such investment opportunity or participating only on a limited basis. In addition, there may be circumstances under which Affiliated Persons will consider participation by Other Accounts in investment opportunities in which Affiliated Persons do not intend to invest, or intend to invest only on a limited basis, on behalf of the Company. Because these considerations may differ for the Company and Other Accounts in the context of any particular investment opportunity, investment activities of the Company and Other Accounts may differ considerably.

As a result of the foregoing, Affiliated Persons may have conflicts of interest in allocating their time and activity between the Company and Other Accounts, in allocating investments among the Company and Other Accounts and in effecting transactions for the Company and Other Accounts, including ones in which Affiliated Persons may have a greater financial interest.

The Company and Manager are not represented by separate professional advisers. Without independent legal and other professional representation, Investors may not receive legal and other advice regarding certain matters that might be in their interest but contrary to the interest of Affiliated Persons. Should a dispute arise between the Company and any Affiliated Person or should there be a need in the future to negotiate and prepare contracts and agreements between the Company and any Affiliated Person, other than those existing or contemplated on the date of this PPM, Manager will cause the Company to retain separate counsel and, if necessary, other professionals for such matters.

VALUATION OF INVESTMENTS

The Net Asset Value of the Company will be determined as of such times as is required by the Operating Agreement or as may be determined by Manager, but in any case, no less than annually.

Each Fund Contributor's share of the Net Asset Value of the Company is determined by multiplying (i) the sum of the value of the Investments held by the Company plus any cash or other assets (including interest and dividends accrued but not yet received) related to such Fund Contributor minus all liabilities (including accrued expenses), by (ii) the Fund Contributor's Allocation Percentage.

The following general guidelines apply to the valuation of Company's Investments:

(a) Debt Investments are valued at the original principal invested;
(b) Equity Investments are valued at the original principal invested unless a new audited valuation has been received for that asset;
(c) All other Investments shall be assigned the value that Manager in good faith determines to reflect the fair value thereof.

Net Asset Value will include any credit or debit accruing to the Company but unpaid or not received by the Company. The amount of any distribution declared by the Company, and of any withdrawal proceeds due but not yet paid, will be treated as a liability from the day when the distribution is declared, or the related withdrawal is effective, as applicable, until it is paid.

All matters concerning the valuation of assets, the allocation of profits, gains and losses among the Fund Contributors, and accounting procedures not specifically and expressly provided for by the terms of the Operating Agreement, shall be determined by Manager and shall be final and conclusive as to all of the Fund Contributors.

SERVICE PROVIDERS

TECHNOLOGY PROVIDER

Avestor Inc. is the Company's technology provider. It supplies the Company and Manager with an online system and capabilities to manage the Company's interests and provide tracking of associated transactions. The Company may also utilize Avestor Inc. to support its self-administration responsibilities.

LEGAL COUNSEL

The Company's attorney of record ("***Attorney***") will represent the Company and Manager to provide legal services and legal counsel on certain Federal Securities Laws & SEC matters as outlined in the Legal Services Section of the Company's Engagement Agreement. Attorney has not been engaged to protect the interests of Investors. Investors should consult with and rely on their own counsel concerning investment in the Company, including tax consequences. No independent counsel has been retained to represent Investors.

Attorney's representation of the Company is limited. Attorney DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT WILL ATTORNEY BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT WILL ATTORNEY'S LIABILITY HEREUNDER EXCEED THE FEES PAID BY COMPANY.

There may exist other matters which could have a bearing on the Company and/or Manager to which Attorney has not been consulted. In addition, Attorney does not undertake to monitor the compliance of Manager and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does Attorney monitor compliance with applicable laws. In the course of advising the Company, there are times when the interests of Members may differ from those of Manager and its affiliates. For example, issues may arise relating to expenses to be charged to the Company, withdrawal rights of Members and other terms of the Operating Agreement, such as those relating to amendments and indemnification. Attorney does not represent the Members in resolving such issues.

ACCOUNTING, TAX & AUDIT

Manager will select accounting and tax firms necessary to support the Company's needs. Manager may select Avestor Inc. to also provide it with bookkeeping services to manage Company books. Manager will furnish financial statements to all Members within 120 days, or as soon thereafter as is reasonably practical, following the conclusion of each fiscal year. In addition, all Members will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical. Given the complexity of the Company, Manager cannot commit to delivering all required tax documentation for Investors to meet the April 15 federal tax deadline and Members may need to make adjustments to their tax filing post the deadline. Although not required at any time, in its sole discretion, Manager may select an auditor to complete an audit for the Company.

SELF-ADMINISTRATION

Manager shall serve as the initial Administrator of the Company. While Manager provides administration services, judgments as to the proper allocation of expenses will be made by Manager. Although Manager has a fiduciary duty to act in the best interests of the Company, Manager serving as Administrator constitutes a material conflict of interest of which all Members should be aware. Manager shall not be compensated by the Company for providing such services. Manager will receive support from its technology provider, Avestor Inc., to help administer the Company but takes full responsibility for all aspects of Company administration.

QUALIFICATION OF INVESTORS

AN INVESTMENT IN THE COMPANY IS SUITABLE ONLY FOR INVESTORS OF SUBSTANTIAL FINANCIAL MEANS WHO HAVE NO NEED FOR IMMEDIATE AND FULL LIQUIDITY IN THIS INVESTMENT.

Interests are being offered under the 3(c)(1) exemption of the Investment Company Act for investment by up to 100 persons who are ***accredited investors*** as defined in Rule 501(a) of Regulation D under the Securities Act, and who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Company.

Manager may solicit and advertise Interests to the public under Section 506(c) of Regulation D of the Securities Act.

Members are required to verify their status as ***accredited investors*** through independent authorized third parties, such as CPA, attorney, licensed investment advisor or broker/dealer or by providing to Company two years of tax or wage statements, brokerage or bank statements, confirmation by or certain other methods deemed acceptable by Manager.

To satisfy the criteria for ***accredited investor***, in the case of individuals, an investor must have either (i) an annual income of not less than $200,000.00 for each of the previous two years (or a combined income with such person's spouse of not less than $300,000.00) and reasonably anticipate the same level of income for the current year, or (ii) a net worth in excess of $1,000,000.00 (excluding the value of such person's primary residence).

Other types of ***accredited investors*** permitted to invest in the Company include:

(i) banks or savings and loan associations acting in an individual or fiduciary capacity;
(ii) broker-dealers registered under the Securities Exchange Act of 1934, as amended;
(iii) insurance companies;
(iv) any trust, with total assets in excess of $5,000,000.00, not formed for the specific purpose of making the investment, whose purchase is directed by a sophisticated person who meets the legal standard of having sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the investment as described in Rule 506(b)(2)(ii) of Regulation D;
(v) an entity, corporation, business trust or fund not formed for the purpose of making the investment which has total assets in excess of $5,000,000.00, or in which all of the equity owners are accredited investors;
(vi) individual investors who hold, in good standing, certain professional certifications and designations and other credentials designated by the SEC as qualifying for accredited investor status, including Licensed General Securities Representative (Series 7), Licensed Investment Adviser Representative (Series 65); and Licensed Private Securities Offerings Representative (Series 82);
(vii) individual investors who are knowledgeable employees of certain private funds; to qualify as an accredited investor under this category, an investor must be a "knowledgeable employee," as defined in Rule 3c–5(a)(4) under the Investment Company Act, of the private fund issuer of the Interests being offered or sold; this includes directors and certain executive officers of the private fund, or of an affiliated person of the private fund that manages the investment activities of the private fund ("***affiliated management person***"); this also includes employees who participate in the investment activities of the private fund or other private funds or investment companies managed by the affiliated management person; (a natural person qualifying as an accredited investor based on their status as a knowledgeable employee is an accredited investor only for offerings by the private fund and other private funds managed by their employer; they cannot use their status as a knowledgeable employee to qualify as an accredited investor to invest in other offerings);
(viii) a natural person may also qualify as an accredited investor based on their status as a family client of a family office; to qualify, an investor must come within the definition of "family client" in rule 202(a)(11)(G)–1 under the Advisers Act, be a family client of a family office that itself qualifies as an accredited investor and have their investment be directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment;
(ix) an investment adviser may qualify for accredited investor status if it is registered with the SEC, registered with a state, is relying on an exemption from registering with the SEC under section 203(l) or (m) of the Advisers Act, is a state-registered investment adviser or an exempt reporting adviser;
(x) rural business investment companies, as defined in defined in Section 384A of the Consolidated Farm and Rural Development Act, qualify as accredited investors under the amendments;
(xi) the amendments codified a long-standing staff interpretation allowing limited liability companies and/or other legal entities with more than $5,000,000.00 in assets to qualify as accredited investors. Such limited liability companies may not be formed for the specific purpose of acquiring the Interests offered;
(xii) employee benefit plans and individual retirement accounts qualify as accredited investors if either (a) the investment decision is made by a plan fiduciary which is a bank, savings and loan association, insurance company or investment adviser registered under the Advisers Act, (b) the plan, including plans established by a state or its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of employees, has total assets in excess of $5,000,000.00, or (c) the plan is a self-directed plan with investment decisions made solely by persons who are accredited investors;
(xiii) foundations, endowments and other tax-exempt investors must not be formed for the purpose of investing in the Company and must have total assets in excess of $5,000,000.00;
(xiv) other types of accredited investors include (a) any investment company registered under the Investment Company Act or a business development company as defined in Section 2(a)(48) of that Act; (b) any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; (c) any private business development company as defined

in Section 202(a)(22) of the Advisers Act; or (d) any entity in which all of the equity owners are accredited investors.

(xv) Family offices and entities that are family clients: to qualify as an accredited investor, a family office must come within the definition of "family office" in Rule 202(a)(11) (G)–1 under the Advisers Act, must have assets under management in excess of $5 million, cannot be formed for the specific purpose of acquiring the securities offered and must have its prospective investments be directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment.

The Company reserves the right to reject subscriptions in its sole discretion. Investors will be required to represent that their overall commitment to investments which are not readily marketable is not disproportionate to their net worth and that investment in the Company will not cause such overall commitment to become excessive; that they can sustain a complete loss of investment and they have limited need for liquidity; and they have evaluated the risks of investing in the Company.

Members may not be able to liquidate their investment in the event of an emergency or for any other reason because there is no public market for the Interests and none is expected to develop.

The Company will not be registered as an investment company under the Investment Company Act, in reliance on Section 3(c)(1) thereof. As a Section 3(c)(1) Fund, the Company may have no more than 100 beneficial owners. The Interests therefore may not be resold except in a transaction registered under the Securities Act and the laws of certain states or in a transaction exempt from such registration (see *RESTRICTIONS ON TRANSFER OF INTERESTS*).

Investors who reside in certain states may be required to meet standards different from or in addition to those described above. Investors will be required to represent in writing that they meet any such standards that may be applicable to them. Manager may, without the consent of existing Members, admit new Fund Contributors to the Company. Manager may reject a subscription for an Interest for any reason in its sole and absolute discretion. If a subscription is rejected, the payment remitted by the Investor will be returned without interest.

Rule 506(d) of Regulation D of the Securities Act provides for disqualification of a Rule 506 offering in the event 20 percent or more of the Company's Interests are beneficially owned by a Member involved in a 'disqualifying event' in connection with the sale of securities, within the securities industry or with the SEC ("***Bad Actor Event***"). Investors subject to a Bad Actor Event within the previous ten years may be denied admittance to the Company in Manager's sole discretion. Existing Members must inform Manager immediately upon being subject to a Bad Actor Event. Manager may remove such Member from the Company at its sole discretion. The following infractions, as provided under Rule 506(d)(i) – (viii), constitute Bad Actor Events:

1. Criminal conviction within ten years (or five years, in the case of issuers, their predecessors and affiliated issuers) of any felony or misdemeanor in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
2. Being subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the sale of the securities, that, at the time of such sale, restrains or enjoins you from engaging or continuing to engage in any conduct or practice in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
3. Being subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the CFTC; or the National Credit Union Administration that, at the time of the sale of the securities, bars you from association with an entity regulated by such commission, authority, agency or officer; engaging in the business of securities, insurance or banking; or engaging in savings association or credit union activities; or constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before the sale of securities.
4. Being subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934 (the "***Exchange Act***") or section 203(e) or 203(f) of the Advisers Act that, at the time of the sale of the securities suspends or revokes your registration as a broker, dealer, municipal securities dealer or investment adviser; places limitations on the activities, functions or operations of, or imposes civil money penalties on such person; or bars you from being associated with any entity or from participating in the offering of any penny stock.
5. Being subject to any order of the SEC, entered within five years before the sale of the securities, that, at the time of such sale, orders you to cease and desist from committing or causing a future violation of any scienter-based anti-fraud provision of the federal securities laws, including, but not limited to, Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder, or Section 5 of the Securities Act.
6. Being suspended or expelled from membership in or suspended or barred from association with a member of a securities self-regulatory organization (e.g., a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade.
7. Having filed (as a registrant or issuer) or having been named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years before the sale of the securities, was the subject of a refusal order, stop order or order suspending the Regulation A exemption, or is, at the time of the sale of the securities, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

8. Being subject to a United States Postal Service false representation order entered within five years before the sale of the securities, or, at the time of the sale of the securities, being subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

INVESTORS SHOULD CONSIDER WHETHER THE PURCHASE OF INTERESTS IS SUITABLE FOR THEM IN LIGHT OF THEIR OBJECTIVES.

TAX ASPECTS OF OFFERING

Below is a summary of federal income tax consequences relating to an investment in the Company. This summary does not attempt to present all aspects of the federal income tax laws or any state, local or foreign laws that may affect an investment in the Company, nor is it intended to be applicable to all investors, such as investors subject to the alternative minimum tax, financial institutions, dealers and other investors that do not hold their Interests as capital assets, insurance companies and foreign persons or entities, may be subject to special rules. No ruling has been or will be requested from the IRS and no assurance can be given that the IRS will agree with the tax consequences described in this summary. Investors should consult with their own tax adviser in order to fully understand the federal, state, local and foreign income tax consequences of an investment in the Company.

THIS SUMMARY DOES NOT CONSTITUTE TAX ADVICE AND IS NOT A SUBSTITUTE FOR TAX PLANNING.

As used herein, the term "U.S. Investor" means a beneficial owner of an Interest in the Company which is a "U.S. Person." A "U.S. Person" is for federal income tax purposes: (i) an individual who is a citizen of the United States or a resident of the United States; (ii) a corporation (or other entity taxable as a corporation) that is created or organized in or under the laws of the United States or any state thereof or the District of Columbia; (iii) an estate the income of which is subject to federal income taxation regardless of its source; or (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust, and one or more U.S. Persons have the authority to control all substantial decisions of the trust, or (b) has a valid election in effect under the applicable regulations to be treated as a U.S. Person. A "Non-U.S. Investor" is a beneficial owner of an Interest that is not a U.S. Investor.

A company (or other entity treated as a company for U.S. federal income tax purposes) holding an Interest should consult its own tax advisor because the tax treatment of a company generally will depend upon the status and activities of the company.

THIS SUMMARY DOES NOT CONSTITUTE TAX ADVICE AND IS NOT A SUBSTITUTE FOR TAX PLANNING.

AS REQUIRED BY U.S. TREASURY REGULATIONS GOVERNING TAX PRACTICE, YOU ARE HEREBY ADVISED THAT ANY WRITTEN TAX ADVICE CONTAINED HEREIN WAS NOT WRITTEN OR INTENDED TO BE USED (AND CANNOT BE USED) BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED UNDER THE INTERNAL REVENUE CODE OF THE UNITED STATES; THE ADVICE WAS PREPARED TO SUPPORT THE PROMOTION OR MARKETING OF TRANSACTIONS OR MATTERS ADDRESSED BY THE WRITTEN ADVICE. INVESTORS REVIEWING THIS DISCUSSION SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE U.S. FEDERAL, STATE AND LOCAL INCOME TAX CONSEQUENCES IN THEIR PARTICULAR SITUATIONS OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF INTERESTS, AS WELL AS ANY CONSEQUENCES UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION.

COMPANY TAX STATUS

The Company will be classified and reported as a limited liability company for federal income tax purposes and the Company will not be treated as a publicly traded company. An entity that would otherwise be classified as a company for U.S. federal income tax purposes may nonetheless be taxable as a corporation if it is a publicly traded company, unless the company meets certain passive income tests under Section 7704 of the Internal Revenue Code of 1986, as amended (the "***Code***"). Manager intends to operate the Company so it will not be treated as a publicly traded company. These measures will include Manager having the absolute right to deny transfers of Interests unless a safe harbor is clearly available, determined in Manager's sole discretion, permitting such transfer. In addition, the Company intends to obtain and rely on appropriate representations and undertakings from Members so that the Company is not treated as a publicly traded company.

The following discussion assumes that the Company will be treated as a limited liability company for federal income tax purposes.

Manager may, in its sole discretion, establish parallel, feeder or alternative entities such as funds, corporate subsidiaries or other investment vehicles to address the tax, regulatory or other concerns of Investors. In addition, Manager may also, in its sole discretion, reorganize the Company into a master-feeder structure. Investors reviewing this discussion should seek advice based on their particular circumstances from an independent tax advisor.

TAXATION OF U.S. INVESTORS

As a limited liability company taxed as a limited liability company, the Company itself will not be subject to federal income tax but will file an annual company information return with the IRS. For federal income tax purposes, each U.S. Investor will be required to take into account its distributive share of all items of the Company's income, gain, loss, deduction and credit for the Company's taxable year ending within the U.S. Investor's taxable year. Each item generally will have the same character and source (either U.S. or foreign) as though the U.S. Investor had realized the item directly.

A U.S. Investor will be required to include in income for federal income tax purposes its share of the Company's income or gain regardless of whether the Company makes any distribution to such U.S. Investor. Therefore, each U.S. Investor should be aware that the tax liability associated with an Interest may exceed (perhaps to a substantial extent) the cash distributed to that U.S. Investor during a taxable year and a U.S. Investor may have to utilize cash from other sources to satisfy a tax liability attributable to an Interest.

The Operating Agreement does not provide for the specific manner in which a U.S. Investor's distributive share of any item of Company income, gain, loss, deduction or credit will be allocated for tax purposes. Instead, Manager will allocate such items among the U.S. Investors in a manner that Manager deems to reflect equitably amounts credited or debited to or withdrawn from each U.S. Investor's Capital Account, whether in the current year or in prior years. Under Section 704 of the Code, a U.S. Investor's distributive share of any item of Company income, gain, loss, deduction or credit will be governed by the Operating Agreement unless the allocation provided by the Operating Agreement does not have substantial economic effect.

If a U.S. Investor withdraws all or part of its investment in the Company during a fiscal year, Manager, in its exclusive discretion, may elect to allocate taxable income or tax loss first to such U.S. Investor's Capital Account in that fiscal year, to the extent that such U.S. Investor's investment in the Company differs from such U.S. Investor's adjusted tax basis in such Interest immediately prior to such withdrawal, or tax loss first to a fully withdrawing U.S. Investor to the extent such U.S. Investor's adjusted tax basis in such Interest exceeds such U.S. Investor's Capital Account balance.

The Operating Agreement allows Manager to allocate to a withdrawing U.S. Investor income, expense, gain, loss or deduction equal to the difference between that U.S. Investor's Capital Account balance at the time of the withdrawal and the adjusted tax basis for its Interest at that time. To the extent such special allocations are made, the withdrawing U.S. Investor may be allocated income, expense, gain or loss from the Company's activities in the year in which the withdrawal is effective, rather than recognizing that amount as part of its capital gain or loss in the year in which the payment for the withdrawal is received. This could result in some acceleration of taxable income if the withdrawal is close to the end of a taxable year and could also result in the withdrawing U.S. Investor being taxed at ordinary income rates on some or all of the amounts that would otherwise be taxed at favorable long-term capital gain rates. Furthermore, the IRS may challenge such an allocation as being without "substantial economic effect" and not in accordance with U.S. Investors' Interests. If such a challenge were successful, the remaining U.S. Investors could be considered to have underreported income and gains for the year for which the allocation was made and the Company and those U.S. Investors could be subject to additional taxes as well as interest and penalties.

Although the allocation provisions of the Operating Agreement will not satisfy all the safe-harbor requirements provided for by applicable Treasury Regulations, Manager believes such provisions should govern the allocation of Company items to the U.S. Investors because such provisions are consistent with the U.S. Investors' respective Interests in the Company (taking into account all facts and circumstances). Notwithstanding the foregoing, no assurance can be given that the allocations will be upheld if challenged by the IRS. A successful challenge by the IRS could result in a U.S. Investor recognizing a larger amount of gain or income or smaller amount of loss or deduction than it would have recognized under the allocation provisions in the Operating Agreement.

NATURE OF INCOME DERIVED BY THE COMPANY

The Company expects to recognize both long-term and short-term capital gain and ordinary income in connection with its transactions. It is possible that the Company will recognize capital losses for federal income tax purposes, the deductibility of which may be limited.

The Company may invest (i) in certain securities, such as original issue discount obligations, preferred stock with redemption or repayment premiums, certain foreign corporations or equity in other entities treated as transparent for tax purposes or (ii) engage in transactions such as debt restructurings or foreclosures that could cause the Company and consequently the Investors to recognize taxable income without receiving any cash. Thus, taxable income allocated to a U.S. Investor may exceed cash distributions, if any, made to such U.S. Investor, in which case such U.S. Investor would have to satisfy tax liabilities arising from an investment in the Company from its own funds.

ORIGINAL ISSUE DISCOUNT

Certain loans acquired by the Company may be treated as having original issue discount ("***OID***") for U.S. federal income tax purposes. A loan will be treated as having OID if the loan's stated redemption price at maturity exceeds its issue price by more than a statutory de minimis amount. In the case of any loan treated as having OID, the holder would be required to accrue a portion of the OID daily as interest income even though receipt of the corresponding cash payment is deferred.

MARKET DISCOUNT LOANS

The Company may acquire certain loans at a market discount ("***Market Discount Loans***"). A loan acquired after its original issuance will generally be treated as a Market Discount Loan if the stated redemption price of the loan at maturity (or its adjusted issue price in the case of an obligation that was issued with OID) exceeds the holder's basis for the loan immediately after its acquisition by more than a statutory de minimis amount. In general, any gain recognized on the maturity or disposition of a Market Discount Loan will be treated as ordinary income to the extent that such gain does not exceed the accrued market discount on such Market Discount Loan. Alternatively, the holder may elect to ratably include market discount in income during the period that such holder holds the Market Discount Loan. Market discount accrues on a straight-line basis unless the holder elects to accrue such discount on a constant yield to maturity basis. If the Company does not elect to include market discount in income currently, it generally will be required to defer deductions for interest on borrowings allocable to such Market Discount Loan in an amount not exceeding the accrued market discount on such Market Discount Loan until the maturity or disposition of such Market Discount Loan.

Upon the sale of property by the Company, the Company will recognize a gain or loss in an amount equal to the difference between the amount realized and the Company's tax basis in the property sold. The gains or losses realized by the Company from the sale or other disposition of property generally would be treated as capital gains or losses, subject to certain rules some of which are discussed above. However, if the Company (or an entity in which the Company is a Member, member or other type of investor) were treated as a "dealer" with respect to all or part of its property (meaning that it was viewed as holding such property for sale to customers in the ordinary course of its business), then all the gains from such property would be treated as ordinary income. Further, if a Company asset is sold in less than one year from the date of acquisition, then gains from such property would likely be treated as short-term capital gains and taxed at ordinary income rates. Long-term capital gains, other than certain types of depreciation recapture, are taxable at a reduced rate for individuals. Tax rates change from and Investors should consult with their tax professional for current tax rates.

For taxable years beginning after December 31, 2012, under recently enacted legislation, U.S. Investors who are individuals, estates or certain trusts will be subject to a 3.8% Medicare tax on certain investment income such as interest, dividends and rents from certain passive activities. Prospective investors should consult their tax advisors regarding the possible applicability of the Medicare tax to income and gain in respect of an investment in the Company.

BASIS

Each U.S. Investor will (subject to certain limits as discussed below) be entitled to deduct its allocable share of the Company's losses to the extent of its tax basis in its Interest at the end of the tax year of the Company in which such losses are recognized. A U.S. Investor's tax basis in its Interest is, in general, equal to the amount of cash such U.S. Investor has contributed to the Company, increased by the U.S. Investor's proportionate share of income and liabilities of the Company and decreased by the U.S. Investor's proportionate share of cash distributions, losses and reductions in such liabilities.

If cash (including in certain circumstances "marketable securities") distributed to a U.S. Investor in any year, including for this purpose any reduction in that U.S. Investor's share of the liabilities of the Company, exceeds that U.S. Investor's share of the taxable income of the Company for that year, the excess will constitute a return of capital and will be applied to reduce the tax basis of that U.S. Investor's Interest. Any distribution in excess of such basis will result in taxable gain to the U.S. Investor. In general, distributions (other than liquidating distributions) of property other than cash and, in certain circumstances, "marketable securities," will reduce the basis (but not below zero) of a U.S. Investor's Interest by the amount of the Company's basis in such property immediately before its distribution but will not result in the realization of taxable income to the U.S. Investor.

LIMITS ON DEDUCTIONS FOR LOSSES AND EXPENSES

In the case of U.S. Investors that are individuals, estates, trusts or certain types of corporations, the ability to utilize any tax losses generated by the Company may be limited under the "at risk" limitation in Section 465 of the Code, the passive activity loss limitation in Section 469 of the Code and/or other provisions of the Code. Furthermore, such U.S. Investor may be subject to limitations on the ability to utilize certain specific items of deduction attributable to the investment activities of the Company (as opposed to its activities that represent a trade or business for federal income tax purposes) under Section 163(d) of the Code, the two percent floor on miscellaneous itemized deductions (including investment expenses) in Section 67 of the Code and/or other provisions of the Code.

It is not possible to predict the extent to which any of the foregoing provisions of the Code will be applicable or the extent to which tax losses will be allocated to U.S. Investors; that will depend on the exact nature of the Company's future operations and the individual tax positions of U.S. Investors. Investors should consult with their own tax advisors regarding the application of these rules (and any other rules limiting their ability to deduct losses or expenses associated with their Interests).

In general, neither the Company nor any U.S. Investor may currently deduct organizational or syndication expenses. An election may be made by the Company to amortize the organizational expenses over a 180-month period but the Company intends to make a five-year election. Syndication fees (which include placement fees or commissions paid by Manager) must be capitalized and cannot be amortized or otherwise deducted.

POSSIBLE AUDIT OF INFORMATION RETURN

A limited liability company is not liable for the payment of federal income tax but is required to file a federal income tax return on Form 1065 each year. Any such return may be audited and any such audit may result in adjustments. Specifically, some of the deductions, claims, income reported or positions taken by the Company may be challenged by the IRS. Any audit adjustment made by the IRS could adversely affect the Fund Contributors, and even if no such adjustment were ultimately sustained, the Fund Contributors would, directly or indirectly, bear the expense of contesting such adjustments. It is not known whether a court would sustain any Company position if contested by the IRS.

SALE OR EXCHANGE OF U.S. INVESTOR INTERESTS

Except to the extent the Company holds appreciated inventory or unrealized receivables, a U.S. Investor that sells or otherwise disposes of an Interest in the Company in a taxable transaction generally will recognize gain or loss equal to the difference, if any, between the adjusted basis of the Interest and the amount realized from the sale or disposition. The amount realized will include the U.S. Investor's share of the Company's liabilities outstanding at the time of the sale or disposition. Capital gain would be eligible for a reduced rate of federal income taxation if the Interest has been held for more than one year. The holding period for capital gains purposes begins on the day after the Interest is issued to the U.S. Investor.

In the event of a sale or other transfer of an Interest at any time other than the end of the Company's taxable year, the share of income and losses of the Company for the year of transfer attributable to the Interest transferred will be

allocated for federal income tax purposes between the transferor and the transferee on either an interim closing-of-the-books basis or a pro rata basis reflecting the respective periods during such year that each of the transferor and the transferee owned the Interest.

The Code provides for optional adjustments to the basis of Company property under Code Section 734 in connection with distributions of Company property to a Member and under Code Section 743 in connection with transfers of Company interests, including by reason of death, provided that a Company election has been made pursuant to Section 754 of the Code. Under the Operating Agreement, Manager in its sole discretion may make the election under Code Section 754 if Manager determines that such election is appropriate under the circumstances. As a result of the complexity and added expense of the tax accounting required to implement such an election, Manager currently does not intend to make such election. However, these optional basis adjustments are mandatory upon distributions of Company property and transfers of Company Interests under certain circumstances. The Company may incur additional expenses for the reasons discussed above as a result of making any mandatory basis adjustments.

ALTERNATIVE MINIMUM TAX CONSEQUENCES

U.S. Investors subject to the alternative minimum tax ("***AMT***") should consider the tax consequences of an investment in the Company in view of their AMT position, taking into account the special rules that apply in computing the AMT, including the adjustments to depreciation deductions, the special limitations as to the use of net operating losses and, in the case of individual taxpayers, the complete disallowance of miscellaneous itemized deductions and deductions for state and local taxes.

TAX-EXEMPT MEMBERS

In general, organizations that are otherwise exempt from federal income taxation pursuant to Section 501(a) of the Code ("***Tax-Exempt Investors***") are subject to taxation with respect to any unrelated business taxable income ("***UBTI***"). Under Section 512(c) of the Code, when computing UBTI, a Tax-Exempt Investor must include its distributive share of income of any company of which it is a Member to the extent that such income would be UBTI if earned directly by the Tax-Exempt Investor.

UBTI is generally defined as gross income from a trade or business regularly carried on by a tax-exempt entity that is unrelated to its exempt purpose (including an unrelated trade or business regularly carried on by a company of which the entity is a Member) less the deductions directly connected with that trade or business. Subject to the discussion of the "unrelated debt financed income" below, UBTI generally does not include interest, most real property rents or gains from the sale, exchange or other disposition of property (other than inventory or property held primarily for sale to customers in the ordinary course of a trade or business) but does include operating income from businesses owned directly or through a "flow-through" entity for U.S. federal income tax purposes.

If a Tax-Exempt Investor's acquisition of an Interest in the Company is debt-financed or the Company incurs "acquisition indebtedness" with respect to an investment, then all or a portion of the income attributable to the debt-financed property will be included in UBTI regardless of whether such income would otherwise be excluded as dividends, interests, rents, gains or loss from the sale of eligible property or similar income. Such treatment will apply, in the case of ordinary income, only in tax years in which the Company had acquisition indebtedness outstanding or, in the case of a sale, if the Company had acquisition indebtedness outstanding at any time during the twelve-month period prior to the sale.

In addition, UBTI can be realized through an acquisition, development and disposition strategy whereby the Company would be treated as a "dealer" with respect to all or part of the assets in which it invests. In this case all the gain from the disposition of such assets generally would be UBTI (subject to a limited exception for gain from the sale of certain real estate assets acquired from insolvent financial institutions).

Because the Company expects to incur "acquisition indebtedness" with respect to certain investments, Tax-Exempt Investors will likely recognize UBTI with respect to an investment in the Company. Manager may, in its sole discretion, establish parallel, feeder or alternative entities such as Company's corporate subsidiaries or other investment vehicles to address the tax, regulatory or other concerns of certain prospective investors. In addition, Manager may also, in its sole discretion, reorganize the Company into a master-feeder structure. However, there can be no assurance that the Tax-Exempt Investors will not incur UBTI with respect to any Investment. Accordingly, Tax-Exempt Investors are urged to consult with their own tax advisors regarding the possible consequences of an investment in the Company.

TAX-EXEMPT INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ALL ASPECTS OF UBTI.

NON-U.S. INVESTORS

If Manager allows the purchase of Interests by a non-U.S. citizen, the following tax disclosures will apply. Non-U.S. Investors that invest directly in the Company generally will be subject to U.S. federal income tax on their distributive share of the taxable income of the Company that is deemed to be "effectively connected" with a U.S. trade or business as if they were U.S. citizens or residents, regardless of whether the Company makes any cash distributions.

Generally Non-U.S. Investors that invest directly in the Company will be required to file a U.S. federal income tax return with respect to their distributable share of the Company's effectively connected income. Investments made in the U.S. by the Company may cause the Company to be engaged in a U.S. trade or business. In that event, Non-U.S. Investors would be considered engaged in a U.S. trade or business. Income and gain from any such U.S. investments, including a portion of gain on the sale or redemption of Interests in the Company, may be treated as effectively connected with the conduct of a U.S. trade or business and thus be subject to U.S. federal income tax, regardless of whether the Company makes any cash distributions.

Generally, the Company would be required to withhold at a 35% rate from effectively connected income allocable to Non-U.S. Investors. In addition, such Non-U.S. Investors would be required to file U.S. federal income tax returns. Any

such Non-U.S. Investors that are non-U.S. corporations may also be subject to a 30% branch profits tax on their share of certain effectively connected earnings and profits, although the rate may be reduced under applicable tax treaties.

If the Company generates any U.S. source, "fixed or determinable, annual or periodic" gains, profits or income, such as interest or dividends, that is not effectively connected with a U.S. trade or business, a Non-U.S. Investor's allocable share of such income (whether or not distributed) will be subject to U.S. withholding tax at 30%, unless reduced or eliminated by an applicable exception or tax treaty.

In addition, regardless of whether the activities of the Company constitute a U.S. trade or business, Non-U.S. Investors will be taxable on any gain derived from the disposition of a "U.S. real property interest" as if such gain were effectively connected income. U.S. real property interests include interests in U.S. real estate and certain U.S. corporations that hold predominantly U.S. real estate investments. Generally, the Company will be required to withhold 35% of any gain attributable to dispositions of U.S. real property interests. The 30% branch profits tax may also apply to corporate Non-U.S. Investors. In addition, a purchaser may be required to withhold 10% of the purchase price upon a sale of an Interest in the Company if, among other requirements, the Company's gross assets consist of at least 50% U.S. real property interests.

Under FATCA, the Company will be required to deduct a 30% withholding tax from payments of certain U.S. source income, including capital gains, paid to Fund Contributors that are foreign financial institutions or non-financial foreign entities unless the applicable foreign Member provides a properly executed Internal Revenue Service Form W-8BEN-E to the Company. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Non-U.S. Investors considering the purchase of Interests should consult their own tax advisors to determine whether FATCA is relevant to their purchase, ownership and disposition of the Interests.

Manager may, in its sole discretion, establish parallel, feeder or alternative entities such as Company's corporate subsidiaries or other investment vehicles to address the tax, regulatory or other concerns of certain prospective investors. However, there can be no assurance that the Non-U.S. Investors will not be treated as engaged in a U.S. trade or business or be required to file U.S. tax returns or pay such U.S. taxes with respect to any investment. Accordingly, Non-U.S. Investors are urged to consult with their own tax advisors regarding the possible consequences of an investment in the Company.

NON-U.S. INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING ALL ASPECTS OF AN INVESTMENT IN THE COMPANY.

TREATMENT OF WITHHOLDING TAXES

The Company will withhold and pay to the IRS any withholding taxes required to be withheld with respect to any Member and will treat such withholding as a payment to such Member. Such payment will be treated as a distribution to the extent that the Member is then entitled to receive a cash distribution. To the extent that such payment exceeds the amount of any cash distribution to which such Member is then entitled, such Member is required, as set forth in the Operating Agreement, to make prompt payment to the Company.

Investors are urged to consult with and must rely on the advice of their own professional tax advisors with respect to the United States and foreign tax treatment of an investment in the Company.

STATE, LOCAL TAXES AND FOREIGN TAX CONSIDERATIONS

The foregoing summary does not address the state, local and foreign tax considerations of an investment in the Company. Investors are urged to consult their own tax advisors regarding those matters and all other tax aspects of an investment in the Company. Fund Contributors may be subject to state or local income, franchise or withholding taxes in those jurisdictions where the Company owns real estate assets or is otherwise regarded as doing business and may be required to file tax returns in such jurisdictions. It is possible the Company itself may be subject to state or local tax in certain jurisdictions.

REPORTING

Manager will furnish Members with an annual statement setting forth information relating to the operations of the Company (including information regarding distributive share of Company income and gains, losses, deductions and credits for the taxable year) as is reasonably required to enable Members to properly report to the IRS with respect to participation in the Company.

The federal information tax returns filed by the Company will be subject to audit by the IRS and the audit of the Company's returns could result in an audit of the Fund Contributor federal income tax returns. In connection with such audits, adjustments to Company items could result in the assertion of tax deficiencies (as well as interest and penalties thereon) against Fund Contributors. Any administrative or judicial proceedings involving the federal income tax treatment of Company items will generally be conducted on a unified basis, with binding effect on all Fund Contributors. Manager will serve as the Company's "Tax Matters Member" for purposes of coordinating any such proceedings and providing any required notices about such proceedings to Fund Contributors.

REPORTABLE TRANSACTIONS REGULATION

Treasury regulations impose special reporting rules for reportable transactions. A "***reportable transaction"*** includes, among other things, a transaction in which an advisor limits the disclosure of the tax treatment or tax structure of the transaction and receives a fee in excess of certain thresholds. Manager intends to take the position that an investment in the Company does not constitute a reportable transaction. If it were determined that an investment in the Company does constitute a reportable transaction, Fund Contributors would be required to complete and file IRS Form 8886 with their tax return for the tax year that includes the date that such Fund Contributors acquired an interest in the Company. Manager reserves the right to disclose certain information about Fund Contributors and the Company to the IRS on Form 8886, including Fund Contributor's capital commitments, tax identification numbers (if any), and dates of

admission to the Company, to facilitate compliance with the reportable transaction rules if necessary. In addition, the Company may engage in certain transactions which constitute reportable transactions and with respect to which both the Company and certain Fund Contributors may be required to file Form 8886. Certain states have similar reporting requirements and may impose penalties for failure to report. Investors should consult their tax advisors for advice concerning compliance with the reportable transaction regulations.

INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.

ERISA CONSIDERATIONS

THE FOLLOWING SUMMARY OF CERTAIN ASPECTS OF ERISA IS BASED UPON ERISA, JUDICIAL DECISIONS, DEPARTMENT OF LABOR REGULATIONS AND RULINGS IN EXISTENCE ON THE DATE HEREOF.

THIS SUMMARY IS GENERAL IN NATURE AND DOES NOT ADDRESS EVERY ERISA ISSUE THAT MAY BE APPLICABLE TO THE COMPANY OR A PARTICULAR INVESTOR. ACCORDINGLY, INVESTORS SHOULD CONSULT THEIR OWN COUNSEL IN ORDER TO UNDERSTAND ERISA ISSUES AFFECTING THE COMPANY AND INVESTORS.

GENERAL

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA ("***ERISA Plan***"), an IRA or a Keogh plan subject solely to the provisions of the Code[1] ("***Individual Retirement Company***") should consider, among other things, the matters described below before investing in the Company.

ERISA imposes general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, U.S. Department of Labor ("***DOL***") regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things:

the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes

- the risk and return factors of the potential investment
- the portfolio's composition with regard to diversification
- the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan
- the projected return of the total portfolio relative to the ERISA Plan's objectives
- the limitation on the rights of Members to withdraw all or any part of their Interests or to transfer their Interests.

Before investing the assets of an ERISA Plan in the Company, a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in the Company may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

PLAN ASSETS DEFINED

ERISA and applicable DOL regulations describe when the underlying assets of an entity in which benefit plan investors ("***Benefit Plan Investors***") invest are treated as "plan assets" for purposes of ERISA. Under ERISA, the term Benefit Plan Investors is defined to include an "employee benefit plan" that is subject to the provisions of Title I of ERISA, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the Code and entities the assets of which are treated as "plan assets" by reason of investment therein by Benefit Plan Investors.

Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an equity interest in an entity that is neither: (a) a publicly offered security; nor (b) a security issued by an investment company registered under the Investment Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an operating company; or (ii) the equity participation in the entity by Benefit Plan Investors is limited.

Under ERISA, the assets of an entity will not be treated as "plan assets" if Benefit Plan Investors hold less than 25% (or such higher percentage as may be specified in regulations promulgated by the DOL) of the value of each class of equity interests in the entity. Equity interests held by a person with discretionary authority or control with respect to the assets of the entity and equity interests held by a person who provides investment advice for a fee (direct or indirect) with respect to such assets or any affiliate of any such person (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of an entity will be treated as "plan assets" for purposes of ERISA. The Benefit Plan Investor percentage of ownership test applies at the time of an acquisition by any person of the equity interests. In addition, an advisory opinion of the DOL takes the position that a redemption of an equity interest by an investor constitutes the acquisition of an equity interest by the remaining investors (through an increase in their

[1] References hereinafter made to ERISA include parallel references to the Code.

percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

LIMITATION ON INVESTMENTS BY BENEFIT PLAN INVESTORS

It is the current intent of Manager to monitor the investments in the Company to ensure that the aggregate investment by Benefit Plan Investors does not equal or exceed 25% of the value of any class of the Interests in the Company (or such higher percentage as may be specified in regulations promulgated by the DOL) so that assets of the Company will not be treated as "plan assets" under ERISA. Interests held by Manager and its affiliates are not considered for purposes of determining whether the assets of the Company will be treated as "plan assets" for the purpose of ERISA. If the assets of the Company were treated as "plan assets" of a Benefit Plan Investor, Manager would be a "fiduciary" (as defined in ERISA and the Code) with respect to each such Benefit Plan Investor and would be subject to the obligations and liabilities imposed on fiduciaries by ERISA.

In such circumstances, the Company would be subject to various other requirements of ERISA and the Code. In particular, the Company would be subject to rules restricting transactions with "parties in interest" and prohibiting transactions involving conflicts of interest on the part of fiduciaries which might result in a violation of ERISA and the Code unless the Company obtained appropriate exemptions from the DOL allowing the Company to conduct its operations as described herein. The Company reserves the right to require the withdrawal of all or part of the Interest held by any Member, including, without limitation, to ensure compliance with the percentage limitation on investment in the Company by Benefit Plan Investors as set forth above.

REPRESENTATIONS BY PLANS

An ERISA Plan proposing to invest in the Company will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and understand the Company's investment objectives, policies and strategies and the decision to invest plan assets in the Company was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA. WHETHER OR NOT THE ASSETS OF THE COMPANY ARE TREATED AS "PLAN ASSETS" UNDER ERISA, AN INVESTMENT IN THE COMPANY BY AN ERISA PLAN IS SUBJECT TO ERISA. ACCORDINGLY, FIDUCIARIES OF ERISA PLANS SHOULD CONSULT WITH THEIR OWN COUNSEL AS TO THE CONSEQUENCES UNDER ERISA OF AN INVESTMENT IN THE COMPANY.

PRIOR RELATIONSHIPS WITH MANAGER OR ITS AFFILIATES

Certain prospective ERISA Plan and Individual Retirement Company investors may currently maintain relationships with Manager or other entities affiliated with Manager. Each of such entities may be deemed to be a party in interest to and/or a fiduciary of any ERISA Plan or Individual Retirement Company to which any of Manager or its affiliates provides investment management, investment advisory or other services. ERISA prohibits ERISA Plan assets to be used for the benefit of a party in interest and also prohibits an ERISA Plan fiduciary from using its position to cause the ERISA Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Similar provisions are imposed by the Code with respect to Individual Retirement Company.

ERISA Plan and Individual Retirement Company investors should consult with counsel to determine if participation in the Company is a transaction that is prohibited by ERISA or the Code. The provisions of ERISA are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA contained herein is, of necessity, general and may be affected by future publication of regulations and rulings.

INVESTORS SHOULD CONSULT WITH THEIR LEGAL ADVISORS REGARDING THE CONSEQUENCES UNDER ERISA OF THE ACQUISITION AND OWNERSHIP OF INTERESTS.

RESTRICTIONS ON TRANSFER OF INTERESTS

Interests have not been registered under the Securities Act, in reliance upon the exemptions provided by the Securities Act and Regulation D thereunder, nor have the Interests been registered under the securities laws of any state in which they will be offered in reliance upon applicable exemptions in such states. Therefore, the Interests cannot be reoffered or resold unless they are subsequently registered under the Securities Act and any other applicable state securities laws or an exemption from registration is available under the Securities Act or such other laws.

Pursuant to the Subscription Agreement, Members agree to pledge, transfer, convey or otherwise dispose of their Interests only in a transaction that is the subject of (i) an effective registration under the Securities Act and any applicable state securities laws or (ii) an opinion of counsel satisfactory to the Company to the effect that the registration of such transaction is not required. Investors must be willing to bear the economic risk of an investment in the Company for the period of time stipulated in the withdrawal provisions herein and in the Operating Agreement.

ADDITIONAL INFORMATION

Investors should understand that the discussions and summaries of documents in this PPM are not complete. Such discussions and summaries are subject to and are qualified in their entirety by reference to such documents. Also, in the Investor Portal each individual Investment may have original documents that are either not present but in lieu thereof a summary is substituted and may be redacted due to confidential obligations.

The Company will deliver to Members, upon request, a copy of any and all such documents once a Member completes a Non-Disclosure Agreement ("***NDA***") and makes a request for the documents in writing.

Each *Individual Investment Disclosure* will contain the investment terms and any non-disclosed information about that investment opportunity and will be uploaded to the Investor Portal and available for Members to review. Manager will afford Investors and their purchaser representatives the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information which the Company possesses or can acquire without unreasonable effort or expense.

PRIVACY POLICY NOTICE

INTRODUCTION

Your privacy is very important. This "***Privacy Policy Notice***" is provided by Manager, its affiliates and the Company and sets forth the policies of Manager, its affiliates and the Company for the collection, use, storage, sharing, disclosure (collectively "***processing***") and protection of personal data relating to current, prospective and former Investors, as applicable.

This Privacy Notice is being provided in accordance with the requirements of data privacy laws, including the US Gramm-Leach-Bliley Act of 1999, as amended, or any other law relating to privacy or the processing of personal data and any statutory instrument, order, rule or regulation implemented thereunder, each as applicable to Manager, its affiliates and the Company (collectively "***Data Protection Laws***"). References to "you" or "Investor" in this Privacy Notice means any Investor who is an individual, or any individual connected with an Investor who is a legal person (each such individual a "***data subject***"), as applicable.

Capitalized terms used herein but not defined herein shall have the meanings assigned to them in the PPM as may be supplemented, updated or modified from time to time.

TYPES OF PERSONAL DATA

The categories of personal data the Company may collect include names, residential addresses or other contact details, signature, nationality, tax identification number, date of birth, place of birth, photographs, copies of identification documents, bank account details, information about assets or net worth, credit history, source of funds details or other sensitive information, such as data contained in the relevant materials or documents.

COLLECTION OF PERSONAL DATA

The Company may collect personal data through: (i) information provided directly by you or another person on your behalf; (ii) information obtained in relation to any transactions between you and the Company; and (iii) recording and monitoring of telephone conversations and electronic communications as described below. The Company also may receive your personal information from third parties or other sources, such as our affiliates, Manager, Avestor, publicly accessible databases or registers, tax authorities, governmental agencies and supervisory authorities, credit agencies, fraud prevention and detection agencies, or other publicly accessible sources, such as the Internet.

LEGAL BASIS & PURPOSE OF PERSONAL DATA USE

The Company may process your personal data for the purposes of administering the relationship between you and the Company (including communications and reporting), direct marketing of Company products and services, monitoring and analyzing Company activities and complying with applicable legal or regulatory requirements (including AML, fraud prevention, tax reporting, sanctions compliance or responding to requests for information from supervisory authorities with competent jurisdiction over Company business). Your personal data will be processed in accordance with Data Protection Laws and may be processed with your consent, upon your instruction or for any of the purposes set out herein, including where Company or a third-party considers there to be any other lawful purpose to do so.

Where personal data is required to satisfy a statutory obligation (including compliance with applicable AML or sanctions requirements) or a contractual requirement, failure to provide such information may result in your subscription being rejected or compulsorily redeemed or withdrawn, as applicable. Where there is suspicion of unlawful activity, failure to provide personal data may result in the submission of a report to the relevant law enforcement agency or supervisory authority.

PERSONAL DATA SHARING

The Company may disclose information about you to our affiliates or third parties, including Avestor, prime brokers and executing brokers, lenders and other counterparties of the Company for our everyday business purposes, such as to facilitate transactions, maintain your account(s) or respond to court orders and legal investigations. It may also be necessary, under AML and similar laws, to disclose information about Investors in order to accept subscriptions from them or to facilitate the establishment of trading relationships for the Company with executing brokers or other counterparties. We will also release information about you if you direct us to do so.

The Company may share your information with our affiliates for direct marketing purposes, such as offers of products and services to you. You may prevent this type of sharing by contacting us at the contact below. If you are a new Investor, the Company can begin sharing your information with our affiliates for direct marketing purposes 30 days from the date of your initial investment in or commitment to the Company. When you are no longer an Investor, we may continue to share your information with our affiliates for such purposes. We may also disclose information about your transactions and experiences to our affiliates for their everyday business purposes.

The Company may disclose information you provide to companies that perform marketing services on our behalf, such as any placement agent retained by the Company.

COMMUNICATIONS MONITORING

The Company may record and monitor telephone conversations and electronic communications with you for the purposes of: (i) ascertaining the details of instructions given, the terms on which any transaction was executed or any other relevant circumstances; (ii) ensuring compliance with our regulatory obligations; and/or (iii) detecting and preventing the commission of financial crimes.

RETENTION PERIODS AND SECURITY MEASURES

The Company will not retain personal data for longer than is necessary in relation to the purpose for which it is collected, subject to Data Protection Laws. Personal data will be retained for the duration of your investment in the Company, as applicable, and for a minimum period of five to seven years after a redemption or withdrawal, as applicable, of an investment from the Company, as applicable, or liquidation of the Company. The Company may retain personal data for a longer period for the purpose of marketing products and services or compliance with applicable law. The Company will periodically review the purpose for which personal data has been collected and decide whether to retain or delete if it no longer serves any purpose.

To protect your personal information from unauthorized access and use, the Company applies technical and organizational security measures in accordance with Data Protection Laws. These measures include computer safeguards and secured files and buildings. We will notify you of any material personal data breaches affecting you in accordance with the requirements of Data Protection Laws.

CHANGES TO PRIVACY POLICY

In the unlikely event there are changes to our Privacy Policy that would permit or require additional disclosures of your confidential information, the Company will provide written notice to you, and you will be given an opportunity to direct us as to whether such disclosure is acceptable.

SuGo Build Your Own Portfolio Manager LLC

Manager of **SuGo Build Your Own Portfolio LLC**

8 The Green, Suite B, Dover, DE 19901

415-209-5812

SUGO BUILD YOUR OWN PORTFOLIO LLC

A Delaware Limited Liability Company

Manager:

SuGo Build Your Own Portfolio Manager LLC

8 The Green, Suite B, Dover, DE 19901

415-209-5812

Last Updated:

February 4, 2025

(Rev. 1.0)

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LIMITED LIABILITY COMPANY OPERATING AGREEMENT

This LIMITED LIABILITY COMPANY OPERATING AGREEMENT ("***Operating Agreement***") of **SuGo Build Your Own Portfolio LLC** a Delaware Limited Liability Company ("***Company***"), is made and entered into as of February 4, 2025, by and among **SuGo Build Your Own Portfolio Manager LLC** ("***Manager***"), a Delaware limited liability company, as Manager, and the Members.

WITNESSETH

WHEREAS the parties hereto have formed a Limited Liability Company for the purposes hereinafter provided.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE I – FORMATION AND PURPOSE

1.01 Formation. The parties formed a Limited Liability Company and agreed to conduct the Company as a Limited Liability Company pursuant to the terms hereof. Manager has executed the Certificate of Limited Liability Company and caused it to be filed as required by the Delaware Limited Liability Company Act (the "***Act***") and shall from time to time execute and file elsewhere a similar certificate when required by applicable law or permitted by applicable law and advisable for the Company to do so.

1.02 Name. The name of the Company shall be **SuGo Build Your Own Portfolio LLC** and the business of the Company shall be conducted under such name.

1.03 Offices. The registered office of the Company is 8 The Green, Suite B, Dover, DE 19901. The Company's initial registered agent for service of process at such address shall be Northwest Registered Agent Service, Inc. The business office of the Company is 8 The Green, Suite B, Dover, DE 19901.

The Company may have such additional offices at such other places as Manager shall deem advisable

1.04 Term. The Company shall continue until the earlier of (i) the termination, bankruptcy, insolvency or dissolution of Manager, (ii) the complete withdrawal of Manager from the Company, unless a successor Manager is appointed pursuant to *DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS*, (iii) entry of a decree of judicial dissolution under the Act, or (iv) a determination by Manager that the Company should be dissolved.

1.05 Purpose of Company.

(a) The Company is organized for the purpose of investing in Investments and engaging in all activities and transactions as Manager may deem necessary or advisable and doing such other lawful acts as Manager may deem necessary or advisable in connection with the maintenance and administration of the Company.
(b) The Company may engage in other activities and businesses incidental to the purpose of the Company as may be necessary or desirable, in the opinion of Manager, to promote and carry out the principal purposes of the Company, as set forth above; *provided, however*, that, without the written consent of Members holding a majority of the Fund Allocation Percentages of all Members at such time, (i) the purpose of the Company shall not be changed, and (ii) the Company shall not engage in any substantial business endeavor other than those consistent with the purpose of the Company, or incidental thereto.

1.06 Proprietary Investment Management Techniques. The investment management systems, techniques and methods employed by Manager in the management of the Company's Investments shall be the sole property of Manager, and neither the Company nor any Member shall have any interest in or right or claim with respect to such investment management systems, techniques or methods or in any of the research products or recommendations generated through their use.

1.07 Definitions. Capitalized terms used and not defined herein shall have the meaning attributed to such terms in the definitions set forth in Exhibit A, or in the relevant section of this Agreement listed on Exhibit A.

ARTICLE II – ADMISSION OF MEMBERS; CAPITALIZATION

2.01 Admission of Members. Manager may admit new Members at such times and on such terms as Manager deems appropriate, subject only to the conditions that:

(a) Each Member shall execute a Subscription Agreement pursuant to which it agrees to be bound by the terms and provisions hereof;
(b) The total number of Members may not at any time exceed 100, as interpreted under Section 3 of the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder; and
(c) Manager reasonably believes that Member satisfies the minimum investor suitability standards established by Manager.

2.02 Capital Contributions of Members. Upon admission to the Company, each Member shall contribute cash or, in the sole discretion of Manager, investments in the amount set forth in such Member's Subscription Agreement. Each Member who has contributed or may contribute investments to the Company shall, prior to the date of any such contribution, furnish to the Company evidence, satisfactory to Manager, the dates of acquisition of such investments, proof of unencumbered ownership thereof and adjusted basis thereof for federal income tax purposes. The minimum initial Capital Contribution is **$100,000.00**, subject to Manager's sole discretion to accept subscriptions for lesser

amounts or, upon giving notice to Members, to require a higher minimum. Members may be admitted on the first business day of any calendar month, or at any other time Manager chooses to accept initial Capital Contributions. Manager may, in its sole discretion, reject any subscription. Capital Contributions will be placed in the Member's Cash Balance Account (***"Cash Balance Account***") until such time Member allocates capital into an Investment.

2.03 Additional Capital Contributions. Members may make additional contributions in cash or, in the sole discretion of Manager, investments as described in *Capital Contributions of Members* in amounts of not less than **$10,000.00**, with the consent of Manager and subject to its sole and absolute discretion to accept lesser amounts. Additional Capital Contributions may be accepted on the first business day of any calendar month, or at any other time Manager chooses to accept such additional Capital Contributions. Manager may, in its sole discretion, reject any additional contribution. Capital Contributions will be placed in the Member's Cash Balance Account until such time Member allocates capital into an Investment.

2.04 No Interest Income on Capital Contributions. Members will not receive interest on Capital Contributions. Manager may choose to invest Member Cash Balance Accounts in an interest-bearing account and keep that interest as Manager income at Manager's sole discretion. At its discretion, Manager may create short term notes that enable Members to earn interest on uninvested capital. The interest rate provided to Members is at the sole discretion of Manager and may be less than the interest rate the Company is earning on that invested capital.

2.05 No Right to Return of Capital Contributions. Members have no right to withdraw from the Company or to demand a return of all or any part of Capital Contributions during the term of the Company except as provided in *DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS*.

2.06 Liability of Members. Notwithstanding any other term or provision of this Operating Agreement to the contrary, in no event shall any Member be liable for (i) any debts, obligations, liabilities or indemnifications of the Company in an amount that exceeds the Capital Contribution of such Member or for (ii) any debts, obligations, liabilities or indemnifications of any other Member, nor shall Members have any personal liability for contributing any capital to the Company.

ARTICLE III – CAPITAL ACCOUNTS; PROFITS AND LOSSES

3.01 Capital Accounts.

(a) For accounting and bookkeeping purposes, the Company will establish and maintain on its books a capital account (***"Capital Account"***) with respect to each Fund Contributor (Manager-Members and Members). Capital Contributions of a Fund Contributor shall be further credited to one or more series accounts (each a ***"Series Account"*** or ***"Series"***), established within such Fund Contributor's Capital Account, relating to each Investment a Fund Contributor is allocated. At any point in time, a Fund Contributor's ownership percentage (i) with respect to an Investment ("***Investment Allocation Percentage***") shall be determined by dividing the balance of such Fund Contributor's Series Account at such point in time by the Series Accounts of all Fund Contributors participating in such Investment at such point in time, and (ii) with respect to the Company as a whole ("***Fund Allocation Percentage***") shall be determined by dividing such Fund Contributor's Capital Account balance at any point in time by the Capital Account balances of all Fund Contributors at such point in time. The balance of a Fund Contributor's Capital Account shall be the sum of each of such Fund Contributor's Series Account balances. At the beginning of each calendar quarter, each Member's Capital Account shall be decreased by the amount of any fees due Manager pursuant to *Compensation and Reimbursement*.

(b) Capital Account balances and the value of any capital contributed to the Company shall be determined by application of the capital accounting rules in Regulations Section 1.704-1(b)(2)(iv).

3.02 Units. To track the allocation of Investments, the Company has established an internal accounting mechanism based on the issuance of "***Units***". When Manager allocates capital from a Capital Account to an Investment (Series Account), it issues a fixed number of Units with respect to that Investment. Each base value of each Unit will be set at the time an Investment is created. Manager then allocates a portion of the Units and a pro rata share of that Investment to a Member Series Account. Units allocated to a Member Series Account related to that Investment. ***"Unitholders"*** are Manager and/or Members that have or previously had an allocation of Units.

3.03 Allocation of Income and Distribution Proceeds.

See EXHIBIT B for a detailed explanation of allocation of income and distribution proceeds.

Income and distribution proceeds shall be allocated on an Investment-by-Investment basis in the manner set forth in Exhibit B attached hereto except to the extent otherwise provided in applicable *Individual Investment Disclosures*. Members should read each *Individual Investment Disclosure* carefully to ensure they understand the methodology of allocations for that specific Investment. If a Member's allocation into a Fixed Investment is after the date the Investment initially started, a Backfill may have occurred where Member capital replaced Manager capital. In some cases, this will result in a reduction in that Member's pro-rata share of income and distribution proceeds for the remainder of the Investment and may also result in lower performance than the targets set forth to Members at the beginning of such Investment. If a Member has a negative Cash Balance Account, the distribution proceeds will first be used to offset the negative Cash Balance Account.

3.04 Limitation on Allocations. Any items of loss or deduction allocated to a Fund Contributor pursuant to this *Article* shall not exceed the maximum amount of such items that can be allocated without causing the Fund Contributor to have a negative Capital Account balance, after giving effect to the following adjustments: (a) debit to such Capital Account balance the items described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6), and (b) credit to such Capital Account balance the sum of (i) the amount the Fund Contributor is obligated to restore to the capital of the Company, and (ii) the amount the Fund Contributor is deemed to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c)(1) and (2). The Company, at its discretion, may allocate all items of loss or deduction in excess of the

limitations set forth in this *Section* to any Fund Contributors to whom the limitation in the preceding sentence does not apply, at Manager's sole discretion. Any Net Loss the Company cannot allocate to any Fund Contributor as a result of the limitation set forth in the first sentence of this *Section* shall be allocated to Manager or any other Member in the Company at Manager's sole discretion.

3.05 Qualified Income Offset. In the event any Fund Contributor unexpectedly receives any adjustments, allocations or distributions described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6) that cause a deficit balance in such Fund Contributor's Capital Account, the Company shall allocate items of Company income and gain to that Fund Contributor in an amount and manner sufficient to eliminate the deficit balance as quickly as possible, *provided that* the Company shall make an allocation pursuant to this *Section* only if and to the extent that a Fund Contributor would have a deficit Capital Account balance after the Company makes all other allocations provided for in this *Article* as if this *Section* were not in the Operating Agreement. For purposes of any allocation pursuant to the preceding sentence, in determining any deficit balance in a Fund Contributor's Capital Account, the Company shall (a) reduce the Fund Contributor's Capital Account by expected adjustments, allocations or distributions described in Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6), and (b) increase the Fund Contributor's Capital Account by any amount that the Fund Contributor must restore to the deficit balance of his Capital Account or that Regulations Section 1.704-1(b)(2)(ii)(c) deems the Fund Contributor to restore to the deficit balance of his Capital Account.

3.06 Gross Income. In the event that any Fund Contributor has a deficit balance in its Capital Account as of the end of any Fiscal Year in excess of the sum of the amount such Fund Contributor is obligated to restore to the capital of the Company pursuant to any provision of this Operating Agreement, or that such Fund Contributor is deemed to be obligated to restore pursuant to Regulations Section 1.704-1(b)(2)(ii)(c)(1) and (2), then the Company shall allocate to each such Fund Contributor items of income and gain for such Fiscal Year and subsequent Fiscal Years, if necessary, in an amount and manner sufficient to eliminate as quickly as possible such Capital Account deficit. The Company shall make an allocation pursuant to this *Section* if and only to the extent that such Fund Contributor would have such an excess deficit balance in its Capital Account after the Company tentatively has made all other allocations pursuant to this *Article* as if *Qualified Income Offset* and this *Section* were not in this Operating Agreement.

3.07 Section 754 Adjustments. To the extent that the Company makes an election pursuant to Code Section 754 and *Adjustment of Tax Basis*, the amount of any adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or 743(b) that is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases the basis of the asset) and the gain or loss shall be specially allocated to the Fund Contributors in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Regulations section.

3.08 Curative Allocations The Company intends that any allocations made pursuant to the last sentence of *Limitation on Allocations* or pursuant to *Qualified Income Offset, Gross Income or Section 754 Adjustments* (collectively "***Regulatory Allocations***") comply with certain requirements of the Regulations. The Company also intends that, to the extent possible, the Company offset all Regulatory Allocations either with other Regulatory Allocations or with special allocations pursuant to this *Section*. Therefore, notwithstanding any other provisions of this *Article* (other than the Regulatory Allocations), the Company shall make such offsetting special allocations in whatever manner it determines appropriate so that, after it makes the offsetting allocations, each Fund Contributor's Capital Account balance is, to the extent possible, equal to the Capital Account balance the Fund Contributor would have had if the Regulatory Allocations were not part of this Operating Agreement and the Company allocated all items pursuant to the remaining Sections of this *Article*.

3.09 Priority of Allocations. The Company shall make the allocations in the following order and priority: (a) first, the Company shall make the Regulatory Allocations in the order and priority in which they appear in this Operating Agreement; and (b) next, as described in *Units*, et seq.

3.10 Contributed and Revalued Property. For Federal income tax purposes, any income, gain, loss or deduction with respect to property contributed by a Fund Contributor to the Company that has a fair market value different from its adjusted basis for Federal income tax purposes shall be allocated among the Fund Contributors in accordance with Code Section 704(c) and the Regulations Section 1.704-3, using any method prescribed in Regulations Section 1.704-3 determined by Manager. With respect to any Company asset that is revalued pursuant to the terms hereof, subsequent allocations of income, gain, loss and deduction with respect to the asset shall take into account any variation between the adjusted basis of such asset for Federal income tax purposes and its fair market value at the time of revaluation in the same manner as under Code Section 704(c) and Regulations Section 1.704-3, using any method prescribed therein as determined by Manager.

3.11 Varying Interest. In the event of the transfer of an Interest during a Fiscal Year, or in the event that a Fund Contributor's Fund Allocation Percentage changes during a Fiscal Year, the items of income, gain, loss or deduction allocated for the Fiscal Year during which the transfer occurs shall (a) be prorated between the transferor and transferee as of the date of the transfer, or (b) be prorated between the portion of the Fiscal Year prior to the change in percentage interest and the portion of the Fiscal Year after the change, using any method that the Company determines in good faith reasonably and fairly represents the portion of the items of income, gain, loss and deduction properly allocable to the Fund Contributors.

3.12 Tax Items. Except as otherwise provided herein, any allocation to a Fund Contributor of a portion of the items of income, gain, loss or deduction for a Fiscal Year shall be deemed to be an allocation to that Fund Contributor of the same proportionate part of each item of income, gain, loss, deduction or credit that is earned, realized or available by or to the Company for Federal income tax purposes. In addition, all items of gain or loss recognized from the sale, exchange or other disposition of Investments (including closing a position or determining an Investment worthless) in

any tax period will generally be allocated among the Fund Contributors , so that to the extent possible, consistent with a fair allocation of such items of gain or loss among all of the Fund Contributors, each Fund Contributor's gain or loss for tax purposes is equal to the amount of gain or loss allocated to his Capital Account in respect of such transactions.

3.13 Stuffing Provision. As of the close of each Fiscal Year, the capital gains and capital losses of the Company shall be allocated to the Fund Contributor's Capital Account so as to minimize, to the extent possible, any disparity between the "book" Capital Account and the "tax" Capital Account, consistent with the principles set forth in section 704 of the Code. To the extent permitted by the Treasury Regulations (or successor regulations) in effect under Code Sections 704(b) and 704(c), allocations of capital gain that have been realized up to the time a Capital Account was completely withdrawn may be allocated first to each Capital Account that was completely withdrawn during the applicable Fiscal Year to the extent that the "book" Capital Account as of the Withdrawal Date exceeds the "tax" Capital Account at that time, and allocations of capital loss that have been realized up to the time a Capital Account is completely withdrawn may be allocated first to each Capital Account that was completely withdrawn during the applicable Fiscal Year to the extent that the "tax" Capital Account as of the Withdrawal Date exceeded the "book" Capital Account of such Capital Account at that time. Notwithstanding anything herein to the contrary, capital gain or capital loss recognized with respect to investments contributed to the Company, if any, shall be specifically allocated to the contributing Fund Contributor in the amount and manner required by Code Section 704(c) and the regulations thereunder, and, to the extent so allocated, shall be excluded from the computation of the Company's capital gain or capital loss, as applicable, for the relevant Fiscal Year.

ARTICLE IV – DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS

Any distributions of Operating Cash Flow and Net Disposition Proceeds shall be made on an Investment-by-Investment basis as set forth in the *Individual Investment Disclosures*, and, in the absence of an *Individual Investment Disclosure*, in the manner set forth in Exhibit B. Manager shall in all cases, in its good faith discretion, determine whether and to what extent any distributions shall be made to the Members, out of funds legally available therefore, but in each case subject to the terms set forth in the applicable *Individual Investment Disclosure*. Except as otherwise set forth in an *Individual Investment Disclosure*, allocations of Operating Cash Flow, if any, shall be made to the Members Cash Balance Accounts promptly after actual receipt of Operating Cash Flow, and allocations of the distributions of Net Disposition Proceeds, if any, shall be made to the Members promptly after actual receipt of the Net Disposition Proceeds. The determination of whether amounts to be distributed are classified as Operating Cash Flow or Net Disposition Proceeds shall be made by Manager in Manager's sole discretion.

4.01 Withdrawals from Member Capital Accounts.

(a) When Investor invests in the Fund by making a Capital Contribution, the funds are deposited into the Member Cash Balance Account and are not yet committed to an Individual Investment. Members may make withdrawals from Cash Balance Accounts after 12 months if funds have not been committed to an Individual Investment. If Member capital has been committed to an Individual Investment through execution of an *Individual Investment Disclosure* the withdrawal will be as provided in the *Individual Investment Disclosure* (each such date, a "***Withdrawal Date***"). Manager, in its sole discretion, may reduce or waive the Notice Period. Any Member capital that has been allocated to an Investment (Series Account) cannot be withdrawn until the Investment has been fully exited or liquidated and Manager has completed allocating all principal and earnings to respective Members that participated in that Investment. In the event a partial withdrawal is allowed by Manager, a Member must withdraw a minimum of **$10,000.00** and shall maintain a minimum Capital Account balance, after giving effect to the withdrawal, of not less than **$100,000.00**. A Member failing to maintain the minimum Capital Account balance may be required to withdraw the balance of its Capital Account at any time without notice. Manager, in its sole discretion, may waive these minimum amounts.

(b) Payments for withdrawals are generally made within 30 days of the applicable Withdrawal Date; *provided, however*, in the event a Fund Contributor withdraws 95% or more of the balance of such Fund Contributor's Capital Account (or if a withdrawal, when combined by all other withdrawals effected by such Fund Contributor during the preceding twelve months, would result in such Fund Contributor having withdrawn 95% or more of the sum of (i) the aggregate amount of all prior withdrawals during such twelve-month period, and (ii) such Fund Contributor's Capital Account balance as of the date of the most recent withdrawal request), a portion (generally not to exceed 5%) of the withdrawal payment will be retained in Manager's discretion pending completion of the audit (if any) of the Company's annual financial statements for the Fiscal Year in which the applicable Withdrawal Date occurs. No interest shall accrue on such retained withdrawal payments. Payment of any amounts in respect to a withdrawal pursuant to this *Section* shall be net of any accrued but unpaid fees due Manager on the withdrawn portion of the applicable Fund Contributor's Capital Account.

(c) Manager may in its sole discretion require or permit any Fund Contributor, for any reason or no reason and at any time, with or without notice, to effect a complete or partial withdrawal of amounts contained in his Capital Account in accordance with the procedures outlined in this *Section* except that in such case (i) any dollar limitations may be waived by Manager and (ii) Manager may, in its sole and absolute discretion, distribute to such Fund Contributor up to 100% of his Capital Account at any time prior to the date on which that Fund Contributor would have been entitled to receive such a distribution had the Fund Contributor properly requested such a complete withdrawal. As with all withdrawals, any such required or permitted withdrawal may be effectuated via a distribution (or distributions) of investments in-kind, either in lieu of, or in combination with, Cash. The undistributed remainder, if any, of such a Capital Account shall be distributed pursuant to the provisions of *Withdrawals from Member Capital Accounts*.

(d) Any Fund Contributor who effects a withdrawal during a Fiscal Year shall be obligated upon notice by Manager to reimburse the Company in cash or immediately available funds for any overpayment made pursuant to such withdrawal, as determined after completion of the annual accounting of the Company's books for that Fiscal Year

and after any adjustments to the Fund Contributor's Capital Account, as necessary; *provided, however*, that such reimbursement shall be required only to the extent that the overpayment exceeded the aggregate of any amount retained by the Company and any balance remaining in such Fund Contributor's Capital Account at the time of such determination. Any obligation of a Fund Contributor arising under the provisions of this *Section* to reimburse the Company for an overpayment shall terminate unless notice of the amount of the overpayment and a reasonable explanation of the calculation of such overpayment amount has been given on or before the 30th day following completion of the audit of the Company's annual financial statements for the Fiscal Year in which the withdrawal was made. In the event that proper reimbursement has not been received by the Company within 30 days after proper notice, the amount of an overpayment shall begin to bear interest payable to the Company beginning as of the date that notice of the overpayment has been given, with the rate of interest equal to ten percent per annum compounded monthly.

(e) At the discretion of Manager, any withdrawal by a Member may be subject to a charge, as Manager may reasonably require, in order to defray the costs and expenses of the Company in connection with such withdrawal including, without limitation, any charges or fees imposed by any Company Investment in connection with a corresponding withdrawal or redemption by the Company from such Investment or any other costs associated with the sale of any of the Company's portfolio investments.

(f) If aggregate withdrawal requests are received for a particular Withdrawal Date for more than ten percent of the Net Asset Value of the Company as of such Withdrawal Date, Manager may, in its discretion, reduce all withdrawal requests for the Company for such Withdrawal Date pro rata in proportion to the amount sought to be withdrawn by each withdrawing Fund Contributor so that only ten percent of the Net Asset Value of the Company as of such Withdrawal Date is withdrawn (the "***Gate***"). To the extent that any Fund Contributor's request has been reduced by the Gate, such request shall be satisfied as of the end of the next Withdrawal Date (and if not fully satisfied as of that date because of the Gate, then as of the next Withdrawal Date and, if necessary, successive Withdrawal Dates), each time subject to the Gate. Any deferred withdrawal requests shall be treated in priority to withdrawal requests received for Withdrawal Dates subsequent to the initial Withdrawal Date at which the deferred request would have been affected in the absence of the Gate. Any unsatisfied portion of any such withdrawal requests shall continue to be at risk in the Company's business until the effective date of the withdrawal.

4.02 Withdrawals from Manager Capital Account.

(a) On any day, Manager may affect a withdrawal of some or all of the fees allocated to its Capital Account; otherwise, Manager shall have the same withdrawal rights as Members.

(b) If Manager provides not less than 90 days prior notice to each Member of its intent to resign as Manager or is disqualified pursuant to *Disqualification*, the Company shall dissolve and thereafter conduct only those activities necessary to wind up its affairs in accordance with the provisions of *DISSOLUTION OF COMPANY*, unless within 90 days after receipt of notice of such resignation or disqualification Members representing a majority of the Fund Allocation Percentage of all Members vote to continue the Company and in connection therewith appoint a successor Manager. For the avoidance of doubt, if no successor Manager is appointed and the Company dissolves, all unsatisfied withdrawal requests and pending distributions shall be postponed until the completion of the winding up of the Company and a final accounting pursuant to *DISSOLUTION OF COMPANY*.

(c) If Members appoint a successor Manager in accordance with paragraph (b) above, the Company shall pay Manager or its legal representative Manager Capital Account balance within 30 days of the appointment of such successor Manager (and the date of such appointment shall be deemed the end of an Accounting Period for all purposes under this Operating Agreement); *provided however*, that a portion (generally not to exceed ten percent) of the withdrawal payment will be retained pending completion of the audit (if any) of the Company's annual financial statements for the Fiscal Year in which the appointment of such successor Manager occurs.

(d) Notwithstanding the foregoing, this *Section* shall not apply in the event that, after a withdrawal of Manager pursuant to paragraph (a) above or the disqualification of Manager pursuant to *Disqualification*, Manager is succeeded by an affiliate of Manager or its Interest is transferred in a transaction that does not require the consent of Members pursuant to *Manager Transfers*.

4.03 Limitations on Withdrawals. Manager may suspend the right of withdrawal or postpone the date of payment for any period during which (i) any stock exchange or over-the-counter market on which a substantial part of the Investments owned by the Company are traded is closed (other than weekend or holiday closings) or trading on any such exchange or market is restricted or suspended, (ii) there exists a state of affairs that constitutes a state of emergency, as a result of which disposal of the Investments owned by the Company is not reasonably practical or it is not reasonably practical to determine fairly the value of its assets, (iii) a breakdown occurs in any of the means normally employed in ascertaining the value of a substantial part of the assets of the Company or when for any other reason the value of such assets cannot reasonably be ascertained or (iv) a delay is reasonably necessary, as determined in the reasonable discretion of Manager, in order to effectuate an orderly liquidation of the Company's Investments in a manner that does not have a material adverse impact on the Company or the non-withdrawing Members. Manager shall provide notice of such suspension of the right of withdrawal to each Member within five days of the occurrence of such suspension. At the conclusion of such period, Manager shall resume permitting withdrawals otherwise permitted pursuant to this *Article* and shall resume any payments pursuant to such withdrawals as soon as reasonably practical.

4.04 Distributions. Except as otherwise set forth in this *Article*, a Fund Contributor who has satisfied the applicable notice requirements set forth herein with respect to withdrawal requests shall receive a distribution (or distributions) in Cash or, in the sole discretion of Manager, a distribution (or distributions) of investments in-kind, either in lieu of, or in combination with Cash, in accordance with the provisions of *Withdrawals from Member Capital Accounts*.

4.05 Withholding from Distributions. Manager may establish reserves for expenses, liabilities or contingencies [including those not addressed by U.S. generally accepted accounting principles ("***GAAP"***)] arising from events during

which a withdrawing Member was a Member of the Company including, without limitation, contingent liabilities relating to pending or anticipated litigation, IRS audits or other governmental proceedings, which could reduce the amount of a distribution upon withdrawal ("***Reserve Withholding***"). All such Reserve Withholding or other amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment, distribution or allocation to the Company or to the Fund Contributors shall be treated as amounts distributed to the Fund Contributors pursuant to this *Article* for all purposes of this Operating Agreement. Any such Reserve Withholding or other amounts withheld, if and when released, shall be allocated among the Fund Contributor Capital Accounts who are Fund Contributors at the time of such release in the manner provided in *CAPITAL ACCOUNTS; PROFITS AND LOSSES*, unless Manager determines that it would be more equitable to allocate such release among the Capital Accounts of those persons who were Fund Contributors at the time such Reserve Withholding was established. The Company is authorized to withhold from distributions, or with respect to allocations, to the Fund Contributors and to pay over to any federal, state or local law and may allocate any such amounts among the Fund Contributors in any manner that is in accordance with applicable law. If there are any assets that, in the judgment of Manager, cannot be valued properly until sold or realized or cannot be sold without sacrificing a substantial portion of the value thereof, such assets may be excluded from the valuation of assets for purposes of computing the amount available for distribution to a Fund Contributor upon withdrawal of any portion of its Capital Account pursuant to this *Article*. Any Fund Contributor's *pro rata* interest in such assets shall not be paid until such time as Manager, in its sole and absolute discretion, determines that circumstances no longer require such assets to be so excluded (in whole or in part). If there is any contingent liability of the Company or any pending transaction or claim by the Company as to which the withdrawing Fund Contributor's share of such liability or claim cannot, in the judgment of Manager, then be determined, the probable loss or liability, or value of the claim, as the case may be, may be excluded from the valuation of assets or liabilities for purposes of computing the amount owing to any Fund Contributor upon its withdrawal pursuant to this *Article*. No amount shall be paid or charged to any such Fund Contributor's Capital Account on account of any such contingency, transaction or claim until its final settlement or such earlier time as Manager shall determine. The Company may retain from sums otherwise due such Fund Contributor an amount that Manager estimates to be sufficient to cover the share of such Fund Contributor of any probable loss or liability on account of such contingency, or the probable value of the transaction or claim. Any amount so withheld from a Fund Contributor shall be held in a segregated interest-bearing account (which may be commingled with similar accounts of other Fund Contributors). Any unused portion of such reserve shall be distributed with interest accrued thereon once Manager has determined that the need therefore has ceased. Upon determination by Manager that circumstances no longer require the exclusion of assets or retention of sums as provided in this *Section*, Manager shall, at the earliest practical time, pay such sums or the proceeds realized from the sale of such assets to each Fund Contributor from whom such sums or assets have been withheld.

4.06 Disqualification.

(a) For purposes of this Operating Agreement, a Member shall be deemed to be "disqualified" upon the occurrence of any of the following events:
   (i) If the Member is a natural person, upon his death, his adjudication as an incompetent, his becoming bankrupt or adjudicated insolvent, or his making an assignment for the benefit of creditors; or
   (ii) If the Member is not a natural person, upon its voluntary dissolution or liquidation, its bankruptcy or adjudication of insolvency, its making an assignment for the benefit of creditors, or its becoming subject to involuntary reorganization or liquidation proceedings and such proceedings not being dismissed within 90 days after filing.

(b) Neither the withdrawal nor the disqualification of a Member shall dissolve the Company. Upon the disqualification of a Member, the successor-in-interest of the Member shall become a transferee of the Member and be credited or paid, or charged with, as the case may be, all further allocations and distributions on account of the Interest of the disqualified Member; *provided*, no such successor-in-interest shall become a substituted Member without first obtaining the written consent of Manager, whose consent may be withheld for any or no reason, and without complying with the provisions of *Requirements upon Transfer* herein.

(c) The disqualification of Manager shall cause the dissolution of the Company unless a successor Manager is appointed in accordance with the terms of Operating Agreement.

4.07 Distributions to Non-U.S. Members. The U.S. Foreign Account Tax Compliance Act ("***FATCA***") imposes a 30% withholding tax on U.S. persons holding offshore accounts on certain "withholdable payments" to "foreign financial institutions" which do not provide information about their U.S. accounts to the IRS. A "withholdable payment" is generally any U.S. source income, such as interest, dividends, rents, royalties and other fixed or determinable income. A Member that is not a "United States person" (as defined in Code Section 7701(a)(30)) will generally be required to provide the Company information which identifies its direct and indirect U.S. ownership. Any such information provided to the Company will be shared with the IRS. A non-U.S. Member that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code will generally be required to enter into an agreement with the IRS identifying certain direct and indirect U.S. account holders or equity holders. A non-U.S. Member who fails to provide such information to the Company or enter into such an agreement with the IRS, as applicable, would be subject to a 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments in the Company and Manager may take any action in relation to a Member's Interests or redemption proceeds to ensure that such withholding is economically borne by the relevant Member whose failure to provide the necessary information gave rise to the withholding.

4.08 Status of Withdrawn Fund Contributor. From and after the effective Withdrawal Date applicable to a Fund Contributor who has withdrawn all or any portion of its Capital Account, such Fund Contributor shall be deemed a creditor of the Company with respect to the withdrawn portion after all adjustments to such Capital Account pursuant to *CAPITAL ACCOUNTS; PROFITS AND LOSSES* and any applicable limitations set forth in this *Article* to the extent that such withdrawn portion has not been distributed to such Fund Contributor pursuant to *Distributions*. Such Fund

Contributor shall thereafter be deemed a Fund Contributor only to the extent that such Fund Contributor withdraws less than all of its Capital Account.

ARTICLE V – POWERS, DUTIES AND RIGHTS OF MANAGER

5.01 Management of the Company. The assets, affairs and operations of the Company shall be managed by Manager. Members shall take no part in the management or control of the Company's business and shall have no authority to act for or bind the Company. Manager shall have sole discretion and authority to select investments, shall invest the funds of the Company from time to time as it deems appropriate in accordance with the purposes set forth in *Purpose of the Company*, as limited by *Consent of Members*, and shall have the powers set forth in *Powers of Manager*.

5.02 Powers of Manager. All references herein to any action to be taken by the Company shall mean action taken in the name of the Company and on its behalf by Manager. Except as otherwise provided in this Operating Agreement, Manager will have exclusive management and control of the business of the Company and will (except as otherwise provided in any other agreements) make all decisions affecting the Company and the Company's assets. Notwithstanding any other provision of this Operating Agreement, Manager will not materially change the investment strategy of the Company from that described in the Company's PPM accompanying this Operating Agreement without the consent of Members holding a majority of the Fund Allocation Percentage of all Members at such time. In addition to the rights, powers and authority granted elsewhere in this Operating Agreement and by law, Manager will have the right, power and authority to obligate and bind the Company and, on behalf of and in the name of the Company, to take any action of any kind and to do anything it deems necessary or advisable in pursuit of the Company's purposes, including, without limitation, the following:

(a) To purchase, hold, sell, lend, borrow or otherwise deal in investments (on margin or otherwise), and in furtherance of the foregoing, to:
   i. Exercise all rights, powers, privileges and other incidents of ownership with respect thereto (including, without limitation, voting rights with respect to Investments);
   ii. Enter into contracts for or in connection with Investments; and
   iii. Liquidate Investments that have been distributed to the Company in-kind.

(b) To borrow funds on behalf of the Company and to pledge and hypothecate Investments and other assets of the Company for such loans and to lend (with or without security) any Investments or other assets of the Company;

(c) To open bank accounts without having to hold a meeting and create a separate resolution to be included in the minutes of the Company. Manager has full power and authority to open, maintain, conduct any and all financial business of the Company within those accounts as well as close the accounts. Manager may at each bank and in each account as selected by Manager draw checks or other orders for the payment of money by the Company and deposit and withdraw from these accounts in furtherance of the Company's operations.

(d) To open, maintain, conduct and close accounts, including margin accounts with broker-dealers and with banks or other custodians for Company assets, each as selected by Manager and to draw checks or other orders for the payment of money by the Company and in furtherance of the foregoing, to:
   i. Issue instructions and authorizations to broker-dealers regarding Investments and/or money held in accounts of the Company with such broker-dealers;
   ii. Enter into custodial agreements, margin account agreements;
   iii. Combine purchases or sales on behalf of the Company with transactions for other accounts and allocate Investments or other assets so purchased or sold, by any method of fair allocation, among such accounts;
   iv. Pay or authorize the payment of selling commissions and/or referral fees in connection with the offering of an Interest in the Company such that a portion of the Manager fees may be remitted to registered broker-dealers or their representatives introducing Investors to the Company, or Manager may use its own resources to compensate registered broker-dealers for such introductions. Manager may also direct brokerage from Company trades to broker-dealers which introduce Members to the Company, subject to applicable laws.

(e) To employ from time to time, at the expense of the Company, persons required for the Company's business, including accountants, attorneys, investment advisers, financial consultants and others (who may be affiliated with Manager) on such terms and for such compensation as Manager determines to be reasonable; to give receipts, releases, indemnities and discharges with respect to all of the foregoing and any matter incident thereto as Manager may deem advisable or appropriate;

(f) To engage in any transaction with Manager's affiliates to the extent permitted by applicable securities laws, including, without limitation, the ability to effect on behalf of the Company any "agency cross transaction" (as contemplated in Rule 206(3)-2 under the Investment Advisers Act of 1940, as amended) through Manager or any affiliate of Manager that is registered as a broker or dealer;

(g) To purchase from or through others, contracts of liability, casualty and other insurance which Manager deems advisable, appropriate or convenient for the protection of the investments acquired by the Company or other assets or affairs of the Company or for any purpose convenient or beneficial to the Company, including policies of insurance ensuring Manager and/or the Company against liabilities that may arise out of Manager's management of the Company;

(h) To make all tax elections required or permitted to be made by the Company, including elections under Section 754 of the Code;

(i) To file, conduct and defend legal proceedings of any form, including proceedings against Fund Contributors and to compromise and settle any such proceedings or any claims against any person, including claims against Fund Contributors, on whatever terms deemed appropriate by Manager;

(j) To admit Members or additional or successor Members to the Company and to remove Members;

(k) To maintain one or more offices and in connection therewith rent or acquire office space and do such other acts as Manager may deem necessary or advisable in connection with the maintenance and administration of the Company;

(l) To waive or reduce, in whole or in part, any notice period, minimum amount requirement, or other limitation or restriction imposed on Capital Contributions or withdrawals of capital; waive, reduce or, by agreement with any Member, otherwise vary any fee or special allocation to Manager, and/or any requirement imposed on that Member by this Operating Agreement. Manager will have such right, power and authority regardless of whether such notice period, minimum amount, limitation, restriction, fee or special allocation, or the waiver or reduction thereof, operates for the benefit of the Company, Manager or fewer than all the Members;
(m) To amend this Operating Agreement in accordance with *Agreement, Amendments*;
(n) To authorize any member, officer, employee or other agent of Manager to act for and on behalf of the Company in all matters incidental to the foregoing;
(o) To force the immediate withdrawal of any Fund Contributor involved in or subject to a *Bad Actor Event*; and
(p) To do any and all acts on behalf of the Company as it may deem necessary or advisable in connection with, or incidental to the accomplishment of, the purposes of the Company or the maintenance and administration thereof.
(q) **Delegation of Management Duties**- Manager recognizes that, due to the diverse nature of the Company's investments, there may be a necessity to delegate certain management responsibilities for individual assets to specific asset managers. Accordingly, Manager is expressly authorized, but not obligated, to appoint additional people for the various separate investment assets to delegate management duties to as deal managers ("***Deal Managers***") for each investment to carry out specific management duties and responsibilities. Manager will oversee and supervise the activities of Deal Managers to ensure alignment with the Company's overall strategy and objectives.
(r) **Engagement of Co-Managers and Additional Management Entities, Such as Sub-Managers-** In furtherance of Company objectives and to facilitate efficient management, Manager retains the right to engage additional management entities, including the possibility of Co-Managers and/or Sub-Managers, both at the Company and Investment level. Such Co-Managers or additional management entities may be independent third parties or entities created or affiliated with Manager. Their role will be to support, augment or specialize in certain management functions as deemed necessary by Manager. All such engagements will be carried out in the best interest of the Company and Investors and with a focus on maximizing the return on investment and operational efficiency.

5.03 Consent of the Members. Notwithstanding *Powers of Manager*, to the contrary, without the consent of Members holding a majority of the Fund Allocation Percentage of all Members at such time, in no event shall Manager take any action outside the scope of the purposes of the Company.

5.04 Duties of Manager. Subject to the limitations in *Consent of Members*, Manager shall be charged with the full responsibility for managing and promoting the Company. Manager shall devote its diligent efforts to the business and affairs of the Company, including such time as shall be required, in the reasonable opinion of Manager, for the proper conduct of the business of the Company. Manager shall not assign its duties under this Operating Agreement except pursuant to the terms of *Manager Transfers*. Manager shall have authority in its sole discretion to delegate any responsibilities hereunder to third parties with whom it contracts to provide services on behalf of the Company. No such delegation shall relieve Manager from its duties or obligations hereunder.

5.05 Other Activities of Manager. Manager and its respective affiliates, shareholders, Members, managers, directors, officers and employees (collectively "***Affiliated Persons***") will only devote so much time to the affairs of the Company as is reasonably required in the judgment of Manager. Affiliated Persons will not be precluded from engaging directly or indirectly in any other business or other activity, including exercising investment advisory, research related advice, management responsibility and buying, selling or otherwise dealing with Investments and other investments for their own accounts, for the accounts of family members, for the accounts of other funds and for the accounts of individual and institutional clients (collectively "***Other Accounts***"). Other Accounts may have investment objectives or may implement investment strategies similar to those of the Company. Affiliated Persons may also have investments in Other Accounts. Affiliated Persons may give advice and take action in the performance of their duties to their Other Accounts that could differ from the timing and nature of action taken with respect to the Company. The Affiliated Persons will have no obligation to purchase or sell for the Company any investment that Affiliated Persons purchase or sell, or recommend for purchase or sale, for their own accounts or for any Other Accounts. The Company will not have any rights of first refusal, co-investment or other rights in respect of the investments made by Affiliated Persons for Other Accounts, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that the Company and one or more Other Accounts should purchase or sell the same investments at the same time, Affiliated Persons will allocate these purchases and sales as is considered equitable to each. Members have no right to participate in any manner in any profits or income earned or derived by or accruing to Affiliated Persons from the conduct of any business or from any transaction in investments effected by Affiliated Persons for any account other than that of the Company.

5.06 Compensation and Reimbursement.

Members in the Company will not be subject to an asset management fee ("***Asset Management Fee***").

Employee Retirement Income Security Act of 1974, as amended (***"ERISA"***) and current Internal Revenue Service ("***IRS***") regulations prohibit fee payments to oneself and/or an affiliate from one's individual retirement account or other self-directed retirement account. Accordingly, such an account of an officer of Manager (or of his/her spouse) will not be subject to a Manager fees.

Investment Specific Fees

(a) Please note that it is possible that Manager may receive management fees for specific investments based on the work involved in an investment. Fees would likely include but not be limited to finding deals, deal analysis, guarantee loans, putting up risk money, overseeing project management, bookkeeping, package preparation,

coordination of service providers, acquisition fees, due diligence and/or financing fees, loan origination fees, loan servicing fees or other types of fees. Manager will disclose all fees in writing before Member capital is allocated to a specific investment. It is impossible to provide all investment term and fee possibilities until there is a specific investment upon which to outline them.

(b) All expenses of the Offering and organization of the Company (including legal and other expenses) (***"Organizational Expenses"***) will be paid by the Company and/or reimbursed by the Company to the extent paid by Manager. GAAP requires that organizational costs be treated as an expense when incurred. If Manager believes that the impact on the Company's results from this departure from GAAP will result in a fairer apportionment of such expenses among Members. This departure from GAAP may also result in a qualified audit opinion from the Company's auditors. If the Company is terminated within five years of the commencement of investment activities, any unamortized expenses will be recognized.

(c) The Company shall pay (or reimburse Manager) for all ordinary and reasonable operating and other expenses, including, but not limited to, investment-related expenses (e.g. all costs, fees and expenses of the Company directly related to the purchase, sale or retention of Investments by the Company, including all fees and commissions of custodians, all fees and disbursements of independent attorneys and accountants, all fees and expenses relating to the registration and qualification for sale of such Investments and all transfer taxes); advertising and marketing expenses for Company; research costs and expenses, including fees for news, quotation and similar information and pricing services; registered agent fees; legal expenses, including, without limitation, the costs of on-going legal advice and services, blue-sky filings as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings; the management fees; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities, including franchise, transfer taxes and withholding taxes payable by the Company; other governmental charges or fees payable by the Company; costs of printing and mailing reports and notices; and other similar expenses related to the Company, as Manager determines in its sole discretion.

The Company may create reserves for Fund expenses. Manager may allocate a portion of Member capital to a Fund expense reserve at time of allocation or Manager may allocate a portion of Member earnings to Fund expense reserves at the time earnings are distributed to Member accounts.

Each Fund Contributor's pro rata share of expenses is calculated as follows:

- Average Daily Value ("***DAV***") is calculated using DAV on the first day of each month in a calendar year.
- Average DAV for all Fund Contributors (Manager-Members and Members) is then added together for Total DAV.
- Each Fund Contributor's pro rata percent share is calculated by dividing that Fund Contributor's Average DAV over the Total DAV.
- Each Fund Contributor's pro rata share of Company expenses is then calculated by taking that Fund Contributor's pro rata percent share and multiplying it by Total Company Expenses for that calendar year.
- Pro rata share of Company expenses will be deducted on December 31 of each calendar year from the Fund Contributor's Capital Account.
  Example (assume only 2 Investors in Company):
- Investor A deposits $50,000.00 capital on January 15 and Investor B deposits $50,000.00 capital on October 15.
- Assuming no earnings and no additional capital deposited. Investor A DAV would be $0.00 for January and $50,000.00 for every month starting February 1 while Investor B DAV would be $0.00 for January through October and $50,000.00 for November 1 and December 1.
- Investor A Average DAV = $45,833.33 and Investor B Average DAV = $8,333.33 for calendar year.
- Total DAV = $45,833.33 + $8,333.33 = $54,166.66.
- Investor A pro rata % = 84.81% and Investor B pro rata = 15.38%.
- Total Company expenses = $100.00. Investor A pro rata expenses = $84.81 and Investor B pro rata expenses= $15.38.

The Company may deviate from the above methodology, at the full discretion of Manager, to manage expenses as Manager deems necessary.

5.07 Reliance on Authority of Manager. No person dealing with Manager or the Company shall be required to determine the authority of Manager to make any undertaking on behalf of the Company or to determine any fact or circumstance bearing upon the existence of such authority. No purchaser of any property or Interest owned by the Company shall be required to determine the sole and exclusive authority of Manager to execute and deliver on behalf of the Company, any and all documents and instruments in connection therewith or to see to the application or distribution of revenues or proceeds paid or credited in connection therewith.

5.08 Limitation of Liability; Indemnification.

(a) Manager and each Affiliated Person and the legal representatives of any of them (each an "***Indemnified Party***"), shall not be liable, responsible nor accountable for damages or otherwise to the Company or any Fund Contributor, or to any successor, assignee or transferee of the Company or of any Fund Contributor, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on such Indemnified Party by this Operating Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by such Indemnified Party of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Company; (iii) the negligence, dishonesty, bad

faith, or other misconduct of any consultant, employee or agent of the Company, including, without limitation, an Affiliated Person of Manager, selected or engaged by such Indemnified Party with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith, or other misconduct of any person in which the Company invests or with which the Company participates as a Member, joint venture or in another capacity, which was selected by such Indemnified Party with reasonable care and in good faith. No Indemnified Party shall be liable to the Company or to any Fund Contributor, or any successors, assignees or transferees of the Company, for any loss, damage, expense or other liability due to any cause beyond its reasonable control, including, but not limited to, strikes, labor troubles, riots, fires, blowouts, tornadoes, floods, bank moratoria, trading suspensions on any exchange, acts of a public enemy, insurrections, acts of God, acts of terrorism, failures to carry out the provisions hereof due to prohibitions imposed by law, rules, or regulations promulgated by any governmental agency, or any demand or requisition by any government authority.

(b) Nothing in this Operating Agreement may be interpreted to limit or modify Manager's fiduciary duty to the Members and/or waive any right or remedy a Member may have under federal or state securities laws. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith.

(c) To the fullest extent permitted by law, the Company, in Manager's sole discretion, shall indemnify and hold harmless each Indemnified Party from and against any loss, liability, damage, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Company, this Operating Agreement or any investment made or held by the Company (including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim), *provided that* such acts, omissions or alleged acts or omissions upon which such actual or threatened action, proceeding or claim are based are not found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence by such Indemnified Party, or (ii) any acts or omissions, or alleged acts or omissions, of any broker or agent of any Indemnified Party, *provided that* such broker or agent was selected, engaged or retained by the Indemnified Party in accordance with reasonable care.

(d) The Company shall, in the sole discretion of Manager, advance to any Indemnified Party reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any action or proceeding that arises out of such conduct. In the event that such an advance is made by the Company, the Indemnified Party shall agree to reimburse the Company for such fees, costs and expenses to the extent that it shall be determined that it was not entitled to indemnification under this *Section*.

(e) Notwithstanding any of the foregoing to the contrary, the provisions of this *Section* shall not be construed as to provide for the indemnification of any Indemnified Party for any liability, including liability under federal or state securities laws which, under certain circumstances, impose liability even on persons that act in good faith, to the extent (but only to the extent) that such indemnification would be in violation of applicable law, but shall be construed so as to effectuate the provisions of this *Section* to the fullest extent permitted by law.

ARTICLE VI – POWERS, RIGHTS AND OBLIGATIONS OF MEMBERS

6.01 Powers and Rights. Except as expressly set forth herein, Members shall not take part in, or interfere in any manner with, the conduct or control of the Company business or have any right or authority to act or sign for or to obligate the Company. Members shall not at any time be entitled to withdraw all or any part of their contribution to the capital of the Company except to the extent they are entitled to withdrawals pursuant to the provisions of *DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS*. Except as expressly set forth herein, Members shall have no right to amend or terminate the Company, or to appoint, select, vote for or remove Manager or its agents, or to otherwise participate in the business decisions of the Company. Members have no right to demand and receive any property other than Cash in return for their contributions, and, prior to the dissolution and liquidation of the Company pursuant to *DISSOLUTION OF COMPANY*, their right to Cash shall be limited to the rights set forth in *DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS*.

6.02 BHCA Subject Persons. Notwithstanding any other provision of this Operating Agreement to the contrary, solely for purposes of any provision of this Operating Agreement that confers voting rights on Members and any other provisions hereof regarding consents of or action by Members, any Bank Holding Company Act of 1956, as amended ("***BHCA***") Subject Person that shall have given the Company a written notice to Manager of its election not to be treated as a BHCA Subject Person, and shall not thereafter have given the Company a notice of revocation of such election and that at any time has a Fund Allocation Percentage in excess of 4.9% of the aggregate Fund Allocation Percentages of Members entitled to participate in such voting or the giving of any consent or the taking of any action, shall be deemed to hold a Fund Allocation Percentage of only four and nine-tenths percent of the aggregate Fund Allocation Percentages of the Members (after giving effect to the limitations imposed by this *Article* on all such Members), and such Fund Allocation Percentage in excess of said four and nine-tenths percent shall be deemed held by Members who are not BHCA Subject Persons, *pro rata* in proportion to their respective Fund Allocation Percentages; *provided that* this limitation shall not prohibit a Member from voting or participating in giving or withholding consent or taking any action under any provision of the Operating Agreement up to the full amount of its Fund Allocation Percentage in situations where such Member's vote or consent or action is of the type customarily provided by statute or stock exchange rules with regard to matters that would significantly and adversely affect the rights or preference of the affected Interest. The foregoing voting restriction shall continue to apply with respect to any assignee or other transferee of such BHCA Subject Person's Interest; *provided, however*, that the foregoing voting restriction shall not continue to apply if the Interest is transferred: (i) to the Company; (ii) to the public in an offering registered under the Securities Act of 1933, as amended (the "***Securities Act***"); (iii) in a transaction pursuant to Rule 144 or Rule 144A under the Securities Act in which no person acquires more than 2% of the aggregate Member Capital Account balances; or (iv) in a single

transaction to a third party who acquires at least a majority of the aggregate Member Capital Account balances without regard to the transfer of Interests to which such Capital Accounts relate.

ARTICLE VII – ACCOUNTING, BOOKS AND RECORDS; REPORTS TO MEMBERS

7.01 Accounting Methods. Manager shall prepare the accounting statements for the Company on an accrual basis in accordance with GAAP (except to the extent that accounting for Organizational Expenses may depart from GAAP) and shall be empowered to make any changes of accounting method that it shall deem advisable.

7.02 Books and Records. Manager shall keep or cause to be kept at the Company's expense, full, complete and accurate books of account and other records showing the assets, liabilities, costs, expenditures, receipts, the respective Fund Contributor Capital Accounts and such other matters required by the Act. Such books of account shall be the property of the Company, shall be kept in accordance with sound accounting principles and procedures consistently applied and shall be open to the reasonable inspection and examination of Fund Contributors or their duly authorized representatives upon notice to Manager. The books of account shall be maintained at the principal office of Manager or at the office of the Company's accounting or administrative firm, as determined by Manager in its sole discretion.

7.03 Company Representative. Manager is hereby designated as the Company's "Company Representative" in accordance with Code Section 6223 ("***Company Representative***"), in all cases to exercise all authority permitted of a Company Representative, as applicable, under the Code. Manager is hereby authorized to make any and all elections for U.S. federal, state, local and non-U.S. tax matters relating to the Company. Manager shall also be entitled to appoint and replace from time to time the Company's "designated individual" within the meaning of Proposed Treasury Regulation § 301.6223-1(b)(3) and any successor provision thereto. Manager shall exercise its authority as Company Representative in such manner as it determines to be in the best interests of Fund Contributors.

7.04 Reports to Members. Upon the Company Net Asset Value exceeding $5,000,000.00, Manager will furnish financial statements, prepared by a firm of independent public accountants, to all Members within 120 days, or as soon thereafter as is reasonably practical, following the conclusion of each Fiscal Year. At Manager's sole discretion, financial statements will include a balance sheet or statement of financial condition, an income statement or statement of operations and a cash flow statement. In addition, all Members will receive the information necessary to prepare federal and state income tax returns following the conclusion of such Fiscal Year as soon thereafter as is reasonably practical. Given the complexity of the Company, Manager cannot commit to delivering all required tax documentation for Members to meet the April 15 federal tax deadline and Members may need to make adjustments to their tax filing post the deadline.

Members can review their accounts online through the Company's Investor Portal which includes all transactions associated with their account, earnings from Investments and the performance of completed Investments. At Manager's sole discretion, Manager may provide separate narrative discussions of individual Company Investments, market and economic outlook and such other information as Manager determines. Manager is not required to provide information on specific investment transactions at the Company level.

7.05 Preparation of Reports. In the preparation of any reports required to be delivered pursuant to *Reports to Members*, Investments shall be valued at Fair Market Value.

7.06 Adjustment of Tax Basis. In the event of a transfer of an Interest in accordance with the terms of this Operating Agreement, upon the request of any Fund Contributor, Manager may, at its sole discretion, cause the Company to elect, pursuant to Section 754 of the Code ("***Section 754 Election***"), to adjust the basis of the Company property if (a) the effect of such adjustment is to increase the adjusted basis of Company property and (b) such requesting Fund Contributor agrees to bear any additional expense attributable to accounting and recordkeeping required as a result of the Company's Section 754 Election.

7.07 Confidentiality. Members shall keep confidential and not disclose to any other person without the prior written consent of Manager, and shall not use for any purpose other than monitoring such Member's investment in the Company, any and all information with respect to the Company or its portfolio; provided, however, that Members may disclose any such information (1) as has become generally available to the public other than as a result of a breach of this *Section* by such Member or any agent or affiliate of such Member, (2) as may be required to be included in any report, statement or testimony required to be submitted to any municipal, state or national regulatory body having jurisdiction over such Member, (3) as may be required in response to any summons or subpoena or in connection with any litigation, (4) to the extent necessary in order to comply with any law, order, regulation or ruling applicable to such Member, (5) to its employees and professional advisors (including such Member' s auditors and counsel), so long as such persons are advised of the confidentiality obligations contained herein, and (6) as may be required in connection with an audit by any taxing authority. If any Member is sought to be compelled by law, regulation or legal process, including litigation or by way of any request pursuant to any public-records laws of any jurisdiction, to disclose any such information, such Member shall notify Manager in writing of such potential disclosure as promptly as possible.

ARTICLE VIII –TRANSFER AND ASSIGNMENT OF COMPANY INTERESTS

8.01 General Prohibition. No Member shall assign, convey, sell, transfer, encumber or in any way alienate all or any part of his Interest without the prior written consent of Manager, which consent may be withheld in Manager's sole and absolute discretion.

8.02 Requirements upon Transfer. Any transfer of an Interest permitted herein shall be subject to the following:

(a) The permitted transferee shall have executed a written agreement, in form and substance reasonably satisfactory to Manager, to assume all of the duties and obligations of the transferor Member under this Operating Agreement and to be bound by and subject to all of the terms and conditions of this Operating Agreement;

(b) The transferor and the transferee shall have executed a written agreement, in form and substance reasonably satisfactory to Manager, to indemnify and hold the Company and Fund Contributors harmless from and against any liabilities, losses, costs and expenses arising out of the transfer, including, without limitation, any liability arising by reason of the violation of any securities laws of the United States, any State of the United States, or any foreign country;
(c) The transferor has delivered to Manager an opinion of counsel reasonably acceptable to Manager that such transfer would not violate the Securities Act, as amended, or any blue-sky laws (including any investor suitability standards);
(d) The transferor demonstrates that such transfer, when added to the total of all other sales or exchanges of Interests within the preceding twelve months, would not result in the Company being considered to have terminated within the meaning of Section 708 of the Code and that such transfer will not result in the Company being treated as a publicly traded company within the meaning of Section 7704 of the Code;
(e) The transferor has demonstrated that such transfer will not cause the assets of the Company to be "plan assets" for purposes of ERISA;
(f) The transferee shall have executed a power of attorney substantially identical to that contained in ***POWER OF ATTORNEY***, and shall execute and swear to such other documents and instruments as Manager may deem necessary to affect the admission of the transferee as a Member;
(g) The transferee shall have executed, in favor of the Company and Manager, an instrument containing representations by such transferee substantially identical to the representations and investment qualifications of the Member set forth in the Subscription Agreement;
(h) The transferee shall have paid the reasonable expenses incurred by the Company in connection with the admission of the transferee to the Company; and
(i) The transferee shall only affect a transfer on the first business day of any calendar month.

8.03 Unauthorized Transfer. Any purported transfer of an Interest not expressly permitted by this *Article* or consented to by Manager shall be null and void and of no effect whatsoever.

8.04 Interest of the Transferee. In the event that a Member shall have obtained the consent of Manager to a transfer of all or a portion of its Interest in accordance with the terms of this Operating Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent that the Capital Account relates to the transferred Interest.

8.05 Manager Transfers. Without the approval of Members holding a majority of the Fund Allocation Percentage of all Members on the relevant date of determination, Manager may not transfer its Interest as Manager in the Company; *provided however*, Manager may transfer its Interest as Manager without the consent of any Member (i) to any entity controlled by, controlling or under common control with it or any of its principals, or (ii) pursuant to a transaction not deemed to involve an "assignment" of this Operating Agreement within the meaning of the Investment Advisers Act of 1940, as amended. In the case of any transfer pursuant to the preceding clauses (i) and (ii), the transferee shall be admitted to the Company as a substitute Manager, all references herein to Manager shall thereafter be deemed references to the transferee Manager, and Manager will promptly notify the Members of any such transfer of its Interest.

ARTICLE IX – DISSOLUTION OF COMPANY

9.01 Dissolution. The Company shall be dissolved upon the expiration of the term of the Company as set forth in *Term* and/or after the completion of all existing Investments made by the Company. In the event that the Company is dissolved on a date other than the last day of a Fiscal Year, the date of such dissolution shall be deemed to be the last day of an Accounting Period and a Fiscal Year for purposes of adjusting the Fund Contributor Capital Accounts. For purposes of distributing the assets of the Company upon dissolution, Manager shall be entitled to a return, on a *pari passu* basis with Members, of the amount standing to its credit in its Capital Account.

9.02 Winding Up and Distribution of Assets.

(a) Upon the dissolution of the Company, the Company shall continue in existence for a reasonable period of time for the purpose of winding up its affairs, Manager (or any Liquidating Agent appointed pursuant to *Winding Up and Distribution of Assets*) shall wind up the Company's affairs and cause the sale of the Company's assets (except those to be distributed in-kind or retained pursuant to *Reserves*) as expediently as is practical and prudent and in such manner as Manager or Liquidating Agent, in its sole discretion, determines appropriate to obtain the best prices. Nothing herein shall preclude a sale of any asset of the Company to any Fund Contributor or affiliate of a Fund Contributor. Any property distributed in-kind in the liquidation shall be valued at Fair Market Value in determining the amount distributed to Fund Contributors. Whether any assets of the Company shall be liquidated through sale or shall be distributed to the Members in-kind shall be a matter left to the sole discretion of Manager or Liquidating Agent. Manager or Liquidating Agent shall conduct (or cause to be conducted) a full accounting of the assets and liabilities of the Company and cause a balance sheet of the Company to be prepared as of the date of dissolution and a profit and loss statement for the period commencing after the end of the preceding Accounting Period and ending on the date of dissolution and such financial statements shall be furnished to all of Fund Contributors.

(b) The proceeds of the sale of the Company's property and assets, plus any unsold assets to be distributed in-kind, shall be distributed in the following order of priority:
   i. Payment of the debts and liabilities of the Company incurred in accordance with the terms of this Operating Agreement and payment of the expenses of liquidation;
   ii. Setting up of reserves as set forth in *Reserves*, as Manager or Liquidating Agent may deem reasonably necessary, for any contingent or unforeseen liabilities or obligations of the Company or any obligation or liability not then due and payable; *provided*, any unspent balance of the reserves shall be distributed in the manner hereinafter provided when deemed reasonably prudent by Manager or Liquidating Agent;
   iii. Payment, on a *pro rata* basis, of any loans from or debts incurred in accordance with the terms of this Operating Agreement owed to Fund Contributors; and
   iv. Payment to Fund Contributors, on a *pro rata* basis, of the remaining positive balances of their Capital Accounts, adjusted to the date of payment as set forth in *CAPITAL ACCOUNTS; PROFITS AND LOSSES*.

(c) The Company or its Service Providers may enter into (and modify and terminate) agreements with a Liquidating Agent or trustee selected by Manager if Manager is unwilling to manage the winding up process or, in the event Manager is disqualified pursuant to *Disqualification* or otherwise is unable to manage the winding up process, such person as may be designated by Members holding a majority of the Fund Allocation Percentages of all Members at such time (in either such case, a "***Liquidating Agent***"), authorizing the Liquidating Agent to wind up the Company's affairs; *provided that* the total compensation the Company may become obligated to pay to such Liquidating Agent(s) during such winding up period will not exceed the aggregate amount of any fees the Company would otherwise pay Manager pursuant to *Compensation and Reimbursement* during such winding up period.

(d) If the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), the distributions made pursuant to this *Section* shall be made in compliance with 1.704-1(b)(2)(ii)(b)(2). If the Company is liquidated within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), but the Company has not dissolved pursuant to *Dissolution*, the Company shall distribute the Company's property to Fund Contributors, who shall be deemed to assume and take such property subject to the Company's liabilities, all in accordance with the balances of their respective Capital Accounts. Immediately thereafter, Fund Contributors shall be deemed to recontribute such property in-kind to the Company, who shall be deemed to assume and take such property subject to all such liabilities. Notwithstanding anything in this Operating Agreement to the contrary, no Fund Contributor shall have any obligation to restore any negative or deficit balance in its Capital Account upon dissolution or liquidation of the Company, or otherwise.

9.03 Reserves.

(a) If there are any assets that, in the judgment of Manager or Liquidating Agent, cannot be valued properly until sold or realized or cannot be distributed properly in-kind or cannot be sold without sacrificing a substantial portion of the value thereof, such assets may be excluded from the valuation of assets for purposes of computing the amount available for distribution upon dissolution and termination of the Company pursuant to this *Article*. Any Fund Contributor's *pro rata* interest in such assets shall not be paid or distributed in-kind to it until such time as Manager or Liquidating Agent, in its sole and absolute discretion, determines that circumstances no longer require such assets to be so excluded (in whole or in part).

(b) If there is any contingent liability of the Company or any pending transaction or claim by the Company the remaining value of which cannot, in the judgment of Manager or Liquidating Agent, then be determined, the probable loss or liability, or value of the claim, as the case may be, may be excluded from the valuation of assets or liabilities for purposes of computing the amount available for distribution upon dissolution and termination of the Company pursuant to this *Article*. No amount shall be paid or charged to any such Fund Contributor's Capital Account on account of any such contingency, transaction or claim until its final settlement or such earlier time as Manager or Liquidating Agent shall determine. The Company may retain from sums otherwise due each Fund Contributor an

amount that Manager or Liquidating Agent estimates to be sufficient to cover the share of such Fund Contributor of any probable loss or liability on account of such contingency, or the probable value of the transaction or claim. Any amount so withheld from a Fund Contributor shall be held in a segregated interest-bearing account (which may be commingled with similar accounts of other Fund Contributors). Any unused portion of such reserve shall be distributed with interest accrued thereon once Manager or Liquidating Agent has determined that the need therefore has ceased.

(c) Upon determination by Manager or Liquidating Agent that circumstances no longer require the exclusion of assets or retention of sums as provided in subsections (a) and (b) hereof, Manager or Liquidating Agent shall, at the earliest practical time, pay such sums or distribute such assets or the proceeds realized from the sale of such assets to each Member from whom such sums or assets have been withheld.

9.04 No Action for Dissolution. The Fund Contributors acknowledge that irreparable damage will be done to the Company (on account of a premature liquidation of the Company's assets, loss of goodwill and reputation and other factors) if any Member seeks to dissolve, terminate or liquidate the Company by litigation or otherwise. Fund Contributors further acknowledge that this Operating Agreement has been drawn carefully to provide fair treatment of all parties and equitable payments in liquidation of the Interests of all Fund Contributors, and that Fund Contributors agree to this Operating Agreement and enter into the Subscription Agreement with the intention that the Company continue until dissolved and liquidated in accordance with the terms of this Operating Agreement. Accordingly, each Fund Contributor hereby waives and renounces any right to dissolve, terminate or liquidate the Company, or to obtain the appointment of a receiver or trustee to liquidate the Company, except as specifically set forth in this Operating Agreement.

9.05 No Further Claim. Fund Contributors shall look solely to the assets of the Company for the return of investment (including Capital Contributions and loans) and no Fund Contributor shall have any liability or obligation to the Company or to any other Fund Contributor to repay any unreturned Capital Contributions or loans made by any Fund Contributor to the Company.

ARTICLE X – POWER OF ATTORNEY

10.01 Grant and Scope of Power. Each Fund Contributor hereby irrevocably constitutes and appoints Manager as its true and lawful agent and attorney-in-fact, with full power of substitution, in its name, place and stead, to make, execute and acknowledge, swear to, record, publish and file:

(a) Any agreement, document or instrument pertaining to the sale, transfer, conveyance or encumbrance of all or any portion of the property of the Company in accordance with the terms of this Operating Agreement;
(b) Any document or instrument with respect to the Company that may be required or permitted to be filed under the laws of any state or of the United States, or which Manager shall deem necessary, desirable or advisable to file;
(c) Any document that might be required to effectuate the dissolution, termination and liquidation of the Company;
(d) Any documents or acts deemed advisable by Manager in connection with the withdrawal of a Member; and
(e) Any amendment to this Operating Agreement made in conformation with *Agreement; Amendments* below.

This Power of Attorney is irrevocable and shall survive the death, incompetency, dissolution, merger, consolidation, bankruptcy or insolvency of each of the Fund Contributors. The Fund Contributors shall execute and deliver to Manager, within five days after receipt of Manager's request therefore, such further designations, powers of attorney and other instruments as Manager reasonably deems necessary to carry out the purposes of this Operating Agreement.

ARTICLE XI – CORPORATE TRANSPARENCY ACT COMPLIANCE

11.01 Representations and Warranties of Reporting Persons. By agreeing to this Operating Agreement and executing the Subscription Agreement, each ***Reporting Person*** represents and warrants to the Company and acknowledges that:

(a) If a natural person, they have provided to Manager either their true and correct CTA Information or the true and correct Financial Crimes Enforcement Network of the U.S. Department of the Treasury ("***FinCEN***") Identifier.
(b) If not a natural Person, an "***Entity Reporting Person***":
    (i) Such Entity Reporting Person has, with respect to each of its indirect owners, provided to Manager either such indirect owner's true and correct CTA Information or the true and correct FinCEN Identifier assigned to such indirect owner by FinCEN; and
    (ii) The signature page of such Entity Reporting Person's Subscription Agreement sets forth the true and correct legal name of such Entity Reporting Person.

11.02 Covenants of Reporting Persons.

(a) Change in Personal Information. Each Reporting Person shall promptly, but within not more than five business days:
    (i) Notify Manager in writing of any change or inaccuracy in or to such Reporting Person or, in the case of an Entity Reporting Person, any of such Entity Reporting Person's indirect owners:
        (A) CTA Information most recently provided to Manager or
        (B) Name, date of birth, address or unique identifying number on such Reporting Person or indirect owner Acceptable Identification Document and
    (ii) If necessary, to reflect any such changed information or otherwise required by Manager, provide to Manager a true and correct image of sufficient quality of the Acceptable Identification Document most recently issued to such Reporting Person or indirect owner that includes:
        (A) A legible image of the unique identifying number set out thereon and
        (B) A recognizable photograph of such Reporting Person or indirect owner.

Notwithstanding the foregoing, the requirements of this Section shall not apply with respect to any Reporting Person or indirect owner as to whom a FinCEN Identifier assigned to such person by FinCEN has been provided to Manager.

(b) Change in Indirect Ownership. Each Entity Reporting Person shall promptly, but within not more than five business days, provide to Manager the true and correct CTA Information or FinCEN Identifier of any natural person who becomes an indirect owner of such Entity Reporting Person.

(c) Substantial Control. Each Reporting Person shall promptly, but within not more than five business days:
   (i) Provide to Manager such information or documents as may, in the reasonable discretion of Manager or the Company's counsel be necessary or advisable in order for the Company or any entity in which the Company holds an Interest to determine whether such Reporting Person or any of such Entity Reporting Person's indirect owners or controllers have substantial control over the Company or any entity in which the Company holds an Interest (collectively, "**Substantial Control Information**"); and
   (ii) Notify Manager of any amendment, modification, supplement or other change other than an immaterial change that could not reasonably be expected to affect who may be a beneficial owner (as defined in the CTA) of the Company or any entity in which the Company holds an interest) in or to any Substantial Control Information previously provided by such Reporting Person to the Company.

11.03 Indemnification. Each Reporting Person and Member hereby agrees to indemnify and hold harmless the Company, Manager and other Reporting Persons and Members from and against any losses, claims, damages, judgments, penalties, fines, costs or liabilities of whatever kind arising from or relating to:

(a) Any inaccuracy in or breach of any such Reporting Person's or Member's representations or warranties contained in *Representations and Warranties of Reporting Persons* above;
(b) Any failure of such Reporting Person or Member to comply with such person's obligations herein; or
(c) Any provision by such Reporting Person or Member of false or incomplete CTA Information or Substantial Control Information.

The provisions of this Section and the obligations of a Reporting Person or Member pursuant to this Section shall survive the termination, dissolution, liquidation and winding up of the Company or the transfer of such Reporting Person's or Member's Interest.

11.04 Acknowledgment of Disclosure. Each Reporting Person acknowledges and consents to the disclosure to FinCEN by the Company of CTA Information provided by such Reporting Person to the Company to the extent that Manger determines in its sole discretion that such disclosure is necessary in connection with reporting the Company's beneficial ownership information to FinCEN under the CTA.

ARTICLE XII – MISCELLANEOUS

12.01 Additional Documents. At any time after the date of this Operating Agreement, upon the request of Manager, Fund Contributors shall do and perform, or cause to be done and performed, all such additional acts and deeds and shall execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, all such additional instruments and documents, as may be required to best effectuate the purposes and intent of this Operating Agreement.

12.02 Applicable Law. This Operating Agreement shall be governed by, construed under and enforced and interpreted in accordance with the laws of the State of Delaware.

12.03 Arbitration. Any controversy or claim arising out of or relating to this Operating Agreement, or the breach thereof, shall be determined by final and binding arbitration administered by the American Arbitration Association ("***AAA***") under its Commercial Arbitration Rules and Mediation Procedures ("***Commercial Rules***") or other agreed to Arbiter in San Rafael, CA. Fund Contributors agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action. Each party to bear their own costs and attorney's fees. The Arbitrator may allow discovery and proceeding by remote attendance. However, Arbitrator is authorized to fashion relief to a prevailing party if they consider such an award to be just and fair under the circumstances existing at the time of arbitration.

12.04 Notices. Any notices required by this Operating Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered in person, (ii) if mailed postage prepaid, by certified or registered mail with return receipt requested, (iii) if transmitted by electronic mail or facsimile, (iv) if sent by second day service by Federal Express or any other nationally recognized courier service, postage prepaid or (v) if sent by Federal Express or any other nationally recognized overnight courier service or overnight express U.S. Mail, postage prepaid, to Fund Contributors at the address set forth below in its execution of the Subscription Agreement, or to such other address of which Manager subsequently shall have been notified in writing by such Fund Contributor. Notices personally delivered or transmitted by electronic mail or facsimile shall be deemed to have been given on the date so delivered or transmitted. Notices mailed shall be deemed to have been given on the date three business days after the date posted, notices sent in accordance with (iv) above shall be deemed to have been given on the date two business days after the date posted, and notices sent in accordance with (v) above shall be deemed to have been given the next business day after delivery to the courier service or U.S. Mail (in time for next day delivery).

12.05 Agreement; Amendments. This Operating Agreement constitutes the entire agreement between the parties and supersedes any prior understanding or agreement among them. There are no representations, arrangements, understandings or agreements, oral or written, among the parties hereto relating to the subject matter of this Operating Agreement, except those fully expressed herein. No change or modification of this Operating Agreement or waiver of any provision hereof shall be valid or binding on the parties hereto, unless such change, modification or waiver shall be in writing and signed by or on behalf of the parties hereto, and no waiver on one occasion shall be deemed to be a waiver of the same or any other provision hereof in the future. Notwithstanding the foregoing sentence, amendments can be affected pursuant to the following conditions:

(a) Except as set forth elsewhere in this *Section,* this Operating Agreement may be amended, in whole or in part, with the written consent of Members holding a majority of the Fund Allocation Percentages of all Members at such time (and the affirmative vote of Manager). Notwithstanding the foregoing or anything to the contrary below, or elsewhere in this Operating Agreement, Manager may amend this Operating Agreement to conform to applicable laws and regulations without the consent of the Members. Manager shall provide Members with at least 15 days' notice of any amendments to this Operating Agreement to comply with applicable law.

(b) Manager may, without the consent of Members, amend this Operating Agreement (i) to change the Company's name, registered office or business office, (ii) to make a change that is necessary or, in Manager's opinion advisable, to qualify the Company as a company (or other entity in which Members have limited liability) under the laws of any state and/or to preserve the Company's classification for federal tax purposes as a company that is not a "publicly traded company" treated as a corporation under Code Section 7704, (iii) to make any amendment hereof as long as such amendment does not adversely affect Members in any material respect (although an amendment made to conform with applicable laws and regulations, as referenced above, may adversely affect Members and the consent of Members is not required for such an amendment), (iv) to make any change that is necessary or desirable to satisfy any requirements, conditions, or guidelines contained in any opinion, directive, order, statute, ruling or regulation of any federal or state entity applicable to the Company or Manager, so long as such change is made in a manner that minimizes any adverse effect on Members, (v) to prevent the Company from, in any manner, being deemed an investment company subject to registration under the Investment Company Act, (vi) if the Company is advised that any allocations of income, gain, loss or deduction provided herein are unlikely to be made for Federal income tax purposes, to amend the allocation provisions hereof, on advice of legal counsel, to the minimum extent necessary to effect the plan of allocations and distributions provided herein, (vii) to create a new class or series of Interests, which shall have such rights (including voting rights), powers, duties and obligations, including the payment of fees, as Manager may specify, (viii) to cure any ambiguity or to correct or supplement any provision contained herein which may be defective or inconsistent with any other provisions contained herein, or (ix) to take such actions as may be necessary or appropriate to avoid the assets of the Company being treated for any purpose of ERISA or Code Section 4975 as assets of any "employee benefit plan" as defined in and subject to ERISA or of any plan or account subject to Code Section 4975 (or any corresponding provisions of succeeding law) or to avoid Manager engaging in a "prohibited transaction" as defined in Section 406 of ERISA or Code Section 4975(c).

(c) Nothing contained herein shall permit the amendment of this Operating Agreement to reduce a Member's Capital Account or Fund Allocation Percentage, permit assessments on Members or to increase management fees chargeable with respect to Members without the prior consent of affected Member; nor shall the following provisions hereof be amended without the consent of Members adversely affected thereby and Manager (see *Liability of Members, Withdrawals from Member Capital Accounts*, *Limitation of Liability*, *Dissolution* and this *Section)*.

(d) Copies of each amendment of this Operating Agreement (other than an amendment pursuant to paragraph (b) above) shall be delivered to each Member at least ten days prior to the effective date thereof; *provided that* any amendment that Manager determines is necessary or appropriate to prevent the Company from being a publicly traded Company and/or treated as a corporation under Code Section 7704 shall be effective on the date provided in the instrument containing such amendment. Amendments approved in accordance with this *Section* shall be binding on all Members, including any that did not vote to approve the same, except as set forth in herein.

(e) Members have no right (i) to amend (except to the extent provided herein) or terminate this Operating Agreement, (ii) to appoint, select, vote for or remove Manager or its agents, or (iii) to exercise voting rights or otherwise participate in the Company's management or business decisions or otherwise in connection with Company property.

(f) For purposes of obtaining a written consent to any matter or action, including any amendment to this Operating Agreement, Manager may require a response within a specified reasonable time period (which shall not be less than 15 days) and failure by a Member to respond within such time period shall constitute a vote in favor of and consent to such matter or action. Manager may, in its sole discretion, choose to deliver any request for written consent and materials relating thereto via email, password-protected website posting or other electronic reporting medium in lieu of providing Members with paper copies of such requests.

12.06 Severability. If any portion of this Operating Agreement is held illegal or unenforceable, the Fund Contributors hereby covenant and agree that such portion or portions are absolutely and completely severable from all other provisions of this Operating Agreement and such other provisions shall constitute the agreement of the Fund Contributors with respect to the subject matter hereof.

12.07 Successors. Subject to the provisions hereof imposing limitations and conditions upon the transfer, sale or other disposition of the Interests of the Fund Contributors in the Company, all the provisions hereof shall inure to the benefit of and be binding upon the heirs, successors, legal representatives and assigns of the parties hereto.

12.08 Counterparts. This Operating Agreement may be executed in counterparts, each of which shall for all purposes be deemed an original, and all of such counterparts shall together constitute one and the same Operating Agreement.

12.09 Section Headings. Section and other headings contained in this Operating Agreement are for reference purposes only and are in no way intended to define, interpret, describe or limit the scope, extent or intent of this Operating Agreement or any provision hereof.

12.10 Pronouns. All pronouns used in this Operating Agreement shall include the neuter, masculine and feminine genders and the singular and the plural, as the context requires.

IN WITNESS WHEREOF, the undersigned have executed this Operating Agreement as of the date first written above.

SuGo Build Your Own Portfolio LLC by its Manager:

SuGo Build Your Own Portfolio Manager LLC, by its Manager:

SuGo Capital LLC, by its Member Managers:

Sarah Sullivan

Verified by signNow
02/06/2025 18:17:09 UTC
6987809090754d7b9b39

Sarah Sullivan, Member Manager

Verified by signNow
02/05/2025 19:09:04 UTC
5da170e1b49043fcb417

Thepyrith Vincent Goguely, Member Manager

MEMBERS:

INVESTOR SHALL EXECUTE THE ATTACHED SUBSCRIPTION AGREEMENT BINDING THEM TO THIS OPERATING AGREEMENT WHICH MUST BE ACCEPTED BY THE COMPANY BEFORE INVESTOR BECOMES A MEMBER.

EXHIBIT A - DEFINITIONS

"***Acceptable Identification Document***" with respect to a natural person, is one of the following documents validly issued to such person:

(a) A non-expired U.S. passport issued by the U.S. government;
(b) A non-expired U.S. state, local government or Indian tribal identification document issued for the purpose of identifying such person;
(c) A non-expired U.S. state-issued driver's license; or
(d) If such person does not have any of the documents listed in above, a non-expired passport issued to such person by a foreign government.

"***Accounting Period***" is the period beginning on the effective date of the first Capital Contribution to the Company and ending on the last business day of each calendar month. Each subsequent Accounting Period shall commence immediately after the close of the preceding Accounting Period and will continue until the close of business.

"***Accrual Accounting***" is a financial accounting method that allows a company to record revenue before receiving payment for goods or services sold and record expenses as they are incurred. Revenue earned and expenses incurred are entered into the Company's journal regardless of when money exchanges hands. Accrual accounting is usually compared to cash basis, which records revenue when paid and expenses when incurred.

"***Act***" is the Delaware Limited Liability Company Act, including amendments.

"***Affiliated Persons***" are Manager's respective affiliates, shareholders, Members, managers, directors, officers and employees.

"Backfill" is when a manager invests its own capital into a Fixed Investment until additional Member capital is available to be allocated to that investment.

"Bad Actor Event" is any sanction, suspension, order, disciplinary proceeding or conviction delineated in Rule 506(c)(1)(i) – (viii) of Regulation D of the Securities Act of 1933.

"***BHCA***" is the Bank Holding Company Act of 1956, as amended.

"***BHCA Subject Person***" is any person subject, directly or indirectly, to the provisions of Section 4 of the BHCA and the regulations of the Board of Governors of the Federal Reserve System promulgated thereunder.

"***Capital Account***" is the account established and maintained on the books of the Company for all Fund Contributors, which shall be credited with the amount of each Fund Contributor's Capital Contributions, and increased or decreased, as provided in this Operating Agreement.

"***Capital Contribution***" is the amount of cash and/or the Fair Market Value of any property (determined as of the time of contribution and net of liabilities secured by such property that the Company assumes or to which the Company's ownership of the property is subject) contributed to the Company.

"***Cash***" is payment by check, electronic funds transfer or by wire transfer.

"Cash Balance Account" is a virtual account within the Fund for a given Manager or Member. When a Member adds capital to the Company, the capital will be placed in a virtual cash balance account, called the Cash Balance Account. When a Member receives a distribution from the Company, the capital will be removed from the Cash Balance Account. When a Member's capital is allocated to an investment, the capital will be removed from the Cash Balance Account. When a distribution is made by an investment, that distribution will be added to the Member's Cash Balance Account. Member's pro-rata share of Fund expenses, manager fees, reserves and other fund related transactions may be removed from the Member's Cash Balance Account. If a Member does not have sufficient cash in the Cash Balance Account, this account may go negative. It will stay negative until that Member either provides another capital deposit or receives a distribution to compensate the Company for the money owed that caused the Cash Balance Account to go negative.

"***Code***" is the Internal Revenue Code of 1986, as amended.

"Continuous Investment" is an investment the Company may make that changes over time. In a Continuous Investment, Fund Contributors may be able to allocate additional capital to the investment over time or withdraw capital from the investment over time.

"***CTA***" is the Corporate Transparency Act (31 U.S.C. Section 5336), enacted as part of the National Defense Authorization Act for Fiscal Year 2021, as amended, and the rules and regulations promulgated thereunder.

"***CTA Information***" with respect to a natural person, is:

(a) The full legal name of such person, including any suffix;
(b) Their date of birth;
(c) Their complete current residential street address, including any apartment or suite number;
(d) A unique identifying number from an Acceptable Identification Document issued to such person; and
(e) An image of such Acceptable Identification Document of sufficient quality that includes:
    (i) A legible image of such unique identifying number; and
    (ii) A recognizable photograph of such person.

"***DAV***" is Daily Average Value.

"***Disposition Proceeds***" is cash proceeds from the full or partial sale or disposition of an Investment.

"***Entity Reporting Person***" has the meaning set forth in *Representations and Warranties of Reporting Persons*.

"***ERISA***" is the Employee Retirement Income Security Act of 1974, as amended.

"***Fair Market Value***" is determined by:

(a) Debt Investments are valued at the original principal invested.
(b) Equity Investments are valued at the original principal invested unless a new audited valuation has been received for that asset.
(c) All other Investments shall be assigned the value that Manager in good faith determines to reflect the fair value thereof.
(d) Net Asset Value will include any credit or debit accruing to the Company but unpaid or not received by the Company. The amount of any distribution declared by the Company and of any withdrawal proceeds due but not yet paid, will be treated as a liability from the day when the distribution is declared or the related withdrawal is effective, as applicable, until paid.
(e) Manager may make adjustments to the value of Investments to best reflect Fair Market Value. All matters concerning the valuation of Investments, the allocation of profits, gains and losses among Fund Contributors and accounting procedures not specifically and expressly provided for by the terms of this Operating Agreement, shall be determined by Manager and shall be final and conclusive as to all of Fund Contributors.

"***FinCEN***" is the Financial Crimes Enforcement Network of the U.S. Department of the Treasury.

"***FinCEN Identifier***" has the meaning set forth in the CTA.

"***Fiscal Year***" of the Company shall be the calendar year.

"Fixed Investment" is an investment that the Company may make an initial investment that is of fixed size. Manager will determine the initial investment size at the time of investment.

"***Fund Allocation Percentage***" shall have the meaning set forth in *Capital Accounts*.

"***Fund Contributors***" are Manager-Members and Members and their legal and financial relationship in individual Investments; reference to a Fund Contributor means any one of the Manager-Members or Members; reference to Fund Contributors means all Manager-Members and Members.

"***GAAP***" is generally accepted accounting principles, consistently applied.

"***Gate***" shall have the meaning set forth in *Withdrawals from Member Capital Accounts*.

"***Income Allocation***" is the duration of time a Unitholder's Capital Contribution is allocated to each Unit in a particular Investment from the prior Income distribution, as expressed in percentage terms.

"***Indirect Owner***" with respect to any Entity Reporting Person, is any natural person who, directly or indirectly, owns or controls any Interest in the Company through such Entity Reporting Person.

"***Interest***" for each Fund Contributor, is all rights and interests of that Fund Contributor in the Company in its capacity as a Fund Contributor together with any and all obligations imposed on it hereunder or under the Act.

"***Investment Allocation Percentage***" on any given calendar day, is a Fund Contributor's allocation of income, gain, loss or deduction with respect to an Investment determined by dividing the balance of such Fund Contributor's Series Account as of the beginning of the Accounting Period by the Series Accounts of all Fund Contributors participating in such Investment as of the beginning of such Accounting Period.

"***Investment Duration Allocation***" on any given day, is the duration of time a Fund Contributor's Capital Contribution, or a portion thereof, is allocated to Units of an Investment. For example, if 50 days have elapsed since the beginning of the Investment and a Fund Contributor was allocated Units corresponding to such Investment on day 10, that Fund Contributor's Investment Duration Allocation for his or her respective Units on day 50 would be 80% (40 days / 50 days = 80%).

"***Investments***" are, without limitation, investments, either directly or indirectly, in residential and/or commercial real estate or indirectly in real estate projects sponsored by third party managers offering their Interests including those through online platforms and portals (each direct or indirect investment in real estate an "***Investment***" and together "***Investments"***). The Company may further invest in equity and debt instruments, private REITs and other alternative investments. The Company may periodically maintain all or a portion of its assets in money market instruments and other cash equivalents and may not be fully invested at all times.

"***Management Fee***" shall have the meaning set forth in *Compensation and Reimbursement*.

"***Manager***" is **SuGo Build Your Own Portfolio Manager LLC** and any person or entity who becomes Manager pursuant to the provisions herein and any person or entity who succeeds to all or a portion of Manager's Interest pursuant to *Manager Transfers*.

"***Manager Interest***" is Manager's Interest in the Company as a Fund Contributor pursuant to the Subscription Agreement executed by Manager but excluding any Manager who has withdrawn or been removed from the Company.

"***Material Change***" in Company's investment strategy is any change affecting the 3(c)(1) exemption of this Offering.

"***Members***" are those persons whose Subscription Agreements have been accepted by Manager on behalf of the Company, or anyone subsequently admitted as a Member, but excluding any Member who has withdrawn or been removed from the Company under *DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS*. Reference to a Member means any one of the Members.

"***Membership Interest***" means, for each Member, all rights and interests of that Member in the Company in its capacity as a Member together with any and all obligations imposed by this Operating Agreement or under the Act.

"***Net Asset Value***" means the net asset value of the assets of the Company determined on the last day of an Accounting Period by:

(a) Adding:
   (i) the aggregate Fair Market Value of the Company's Investments;
   (ii) the aggregate uninvested cash balances of the Company (such cash balances being adjusted as required under the definition of "*Fair Market Value*");
   (iii) the aggregate Fair Market Value of such assets as would generally be considered pre-payments of expenses to be amortized over future periods;
   (iv) the aggregate Fair Market Value of all dividends and distributions payable in cash, stock or other property received by the Company and the face value of all Units and other receivables; and
   (v) the aggregate Fair Market Value of such other assets of the Company as should be considered assets in accordance with GAAP (*provided that* the name and goodwill of the Company shall not be included in calculating the Net Asset Value of the Company).
(b) Deducting from the total sum obtained pursuant to sub-section (a) above any liabilities and expenses due (including fees to Manager payable for the current calendar quarter) in accordance with GAAP.

All amounts above shall be stated in United States Dollars, with assets and liabilities denominated in currencies other than United States Dollars to be converted to United States Dollars at published exchange rates in effect on the last day of such Accounting Period. The resulting Net Asset Value at the end of such Accounting Period shall constitute the initial Net Asset Value for the subsequent Accounting Period after adjustment to reflect withdrawals pursuant to *DISTRIBUTIONS OF CASH FLOWS; WITHDRAWALS* and additional Capital Contributions by Members and the admission of new Members pursuant to *ADMISSION OF MEMBERS; CAPITALIZATION*. Whenever ratios or percentages are to be calculated based on or relating to Capital Accounts, they shall be calculated to four decimal places with any adjustments resulting from rounding charged or credited to all Capital Accounts proportionally.

"***Net Profits***" and "***Net Losses***" are the net income and net loss, respectively, of an Investment, determined in accordance with the method of accounting used by the Company for federal income tax purposes.

"***Notice Period***" is a requirement for a Member desiring to exercise a Withdrawal from their Capital Account to give Manager 30 days written notice, which Notice Period may in waived or reduced in Manager's sole discretion.

"***Organizational Expenses***" are all expenses of the Offering and organization of the Company (including legal and other expenses).

"***Other Accounts***" of Manager and Affiliated Persons are their own accounts, accounts of family members, accounts of other funds and the accounts of individual and institutional clients.

"***Ownership Interest***" has the meaning set forth in the CTA.

"***Person***" is an individual, company, joint venture, association, corporation, trust or any other legal entity.

"***Principals***" are Sarah Maud Sullivan, Theophile Vincent Goguely.

"***Regulations***" are Treasury Regulations promulgated under the Code as such Regulations may be amended (including corresponding provisions of succeeding Regulations).

"***Reporting Person***" is (a) each Member, (b) each Manager and (c) any other person, including an assignee of a Membership Interest, that Manager determines is required to provide CTA Information to the Company in connection with the Company's or any of its subsidiaries' reporting obligations under the CTA.

"***Reserve Withholding***" are reserves for expenses, liabilities or contingencies (including those not addressed by GAAP) arising from events occurring during the period of time during which a withdrawing Fund Contributor was a Fund Contributor of the Company including, without limitation, contingent liabilities relating to pending or anticipated litigation, IRS audits or other governmental proceedings, which could reduce the amount of a distribution upon withdrawal.

"***Series Account***" or "***Series***" are accounts established for individual Investments in which Fund Contributors are allocated Units.

"***Sponsor(s)"*** In the context of real estate Memberships, a sponsor is an individual or company in charge of finding, acquiring and managing the real estate property on behalf of the Membership. Sponsors are also called general Members ("***GPs***"). Besides direct investors in the deal, the sponsor may have other investors involved in the GP side of the deal. When it comes to real estate funds, the sponsor puts the *passive* in passive real estate investing. The sponsor is why real estate investors do not have to worry about managing properties or obtaining financing. The sponsor will see the deal through from start to finish. This includes creating the deal and terminating it through a sale or dissolution.

"***Subscription Agreement***" is any subscription booklet, including a subscription agreement containing appropriate representations, warranties, acknowledgments, agreements, indemnifications, confirmations and reciting and evidencing such qualifications as are deemed necessary or appropriate in Manager's discretion, prescribed by Manager as a condition precedent to becoming a Member.

"***Subscription Date***" is the date a Member's Subscription Agreement is accepted by Manager.

"***Substantial Control***" has the meaning set forth in the CTA.

"***Substantial Control Information***" is information or documents as may, in the reasonable discretion of Manager or the Company's counsel be necessary or advisable in order for the Company or any entity in which the Company holds an interest to determine whether such Reporting Person or any of such Reporting Person's indirect owners or controllers have substantial control over the Company or any entity in which the Company holds an interest.

"***Units***" are used to track the allocation of Investments. When Manager allocates capital from a Capital Account to an Investment, it issues a fixed number of Units with respect to that Investment.

"***Withdrawal Date***" is each date a Member is permitted to make withdrawals from its Capital Account, see *Withdrawals from Member Capital Accounts*.

EXHIBIT B- DISTRIBUTION METHODOLOGY

The below methodology is the default model that is used for a customizable fund. Manager may make adjustments to this methodology. Members should review the *Individual Investment Disclosure* to fully understand how the allocation of income, profits/losses, distributions, return of principal will be managed for a particular investment.

Manager may invest its own capital into a Fixed Investment until additional Member capital is available to be allocated to that investment ***("Backfill")***. In that case, Manager will receive a pro-rata share of future distributions based on the time its capital was invested. The Backfill may impact the distributions received, income received and the overall performance of that investment for those specific Members entering that investment after the investment start date. This is due to the system providing Manager a pro-rata share of the earnings and profits from the time their capital was allocated into that Investment prior to the Member Backfilling the investment with their capital.

ALLOCATION OF CURRENT INCOME

"***Income***" is the interest, earnings or distributions generated by existing Company Investments. After subtraction of any fees to Manager and subtraction of any disclosed Investment or Fund expenses, income shall be allocated to each Unitholder Series Account relating to such Investment.

On any given day, the "***Investment Duration Allocation***" is the duration of time a Unitholder's Capital Contribution is allocated to each Unit in a particular Investment, whether when such Investment was first made or sometime thereafter, as expressed in percentage terms. For example, 50 days have passed since the beginning of Investment and a Member was allocated Units on Day 10, that Member's Investment Duration Allocation on their respective Units on Day 50 would be 40 / 50 = 80%. On Day 100, their Investment Duration Allocation on their respective Units would be 90 / 100 = 90%.

On any given day, the "***Income Allocation***" is the duration a Unitholder's Capital Contribution is allocated to each Unit in a particular Investment from the prior Income distribution, as expressed in percentage terms. For example, 30 days have passed since the last Income distribution and a Unitholder was allocated their respective Units 15 days after that distribution, that Member's Income Allocation on those Units would be 15 / 30 = 50%. If 30 days have passed since the last Income distribution and a Unitholder was allocated Units prior to that distribution, that Member's Income Allocation on those Units would be 30 / 30 = 100%.

For Fixed Investments:

Debt (fixed interest income):
A Unitholder will receive a pro rata share of Income based on:

- If no prior Income distribution – (Investment Duration Allocation) multiplied by (Investment Allocation Percentage)
- If a prior Income distribution – (Income Allocation) multiplied by (Investment Allocation Percentage)

Equity (variable distributions):
A Unitholder will receive a pro rata share of distribution based on:

- Pro rata share of distribution equals (Investment Duration Allocation) multiplied by (Investment Allocation Percentage at time of distribution); the Investment Duration Allocation may be set at the date the distribution was received or on December 31 of current year depending on type of investment.
- Unitholders first receive their pro rata share of Disposition Proceeds equal to their Investment Allocation Percentage until all Unitholders have been paid back their initial capital investment.
- After return of principal to all Unitholders, earnings will be distributed based on each Unitholder's Investment Duration Allocation for any Units they were allocated on day Investment is exited.

For Continuous Investments:

A Unitholder will receive a pro rata share of Income based on:

- If no prior Income distribution – (Investment Duration Allocation) multiplied by (Investment Allocation Percentage)
- If a prior Income distribution – (Income Allocation) multiplied by (Investment Allocation Percentage)

ALLOCATION OF DISTRIBUTION PROCEEDS

"***Disposition Proceeds***" are cash proceeds from the full or partial sale or disposition of an Investment. Disposition Proceeds for Debt Investments is capital allocated to Units. Disposition Proceeds for Equity Investments can be a combination of capital allocated to Units and/or earnings from sale of Investment.

After subtraction of any fees to Manager and subtraction of any Fund expenses or Fund expense reserves, Disposition Proceeds and/or Distributions shall be allocated to each Unitholder's Series Account.

Each investment may have different terms on how and which order Disposition Proceeds will be handled. Members should review the *Individual Investment Disclosures* to understand how Disposition Proceeds will be handled for a particular investment.

Unit Allocation Examples

Unit Allocation Example #1 (No pre-investment of capital by Manager)
Members A, B & C request Manager to invest $250,000 of their capital in Equity Investment #1 on the investment start date of January 1, 2024.

Units Accounting will be done as follows for each Unitholder on a given day, June 30, 2024, for this example:

	# of Units	Manager	Member
Jan 1, 2024, Member A is allocated $100,000 (10,000 Units) for Equity Investment #1	10,000	Same day transfer of Units to Member	January 1, 2024 to June 30, 2024
Jan 1, 2024, Member B is allocated $50,000 (5,000 Units) for Equity Investment #1	5,000	Same day transfer of Units to Member	January 1, 2024 to June 30, 2024
Jan 1, 2024, Member C is allocated $100,000 (10,000 Units) for Equity Investment #1	10,000	Same day transfer of Units to Member	January 1, 2024 to June 30, 2024

Unit Allocation Example #2 (Pre-investment of capital by Manager)

Manager pre-invests $250,000 using Manager capital in Equity Investment #1 on January 1, 2024. 25,000 Units at $10.00/Unit is generated for Investment #1 and Manager is allocated 25,000 Units. Members A, B & C request allocation into Investment #1 on different dates after the investment start date. Manager then allocates the Members into the Investment on their requested dates.

Units Accounting will be done as follows for each Unitholder on a given day, June 30, 2024, for this example:

	# of Units	Manager	Member
February 1, 2024, Member A is allocated $50,000 (5000 Units) for Equity Investment #1	5,000	January 1, 2024 to January 31, 2024	February 1, 2024 to June 30, 2024
March 1, 2024, Member B is allocated $50,000 (5000 Units) for Equity Investment #1	5,000	January 1, 2024 to February 29, 2024	March 1, 2024 to June 30, 2024
March 10, 2024, Member C is allocated $100,000 (10,000 Units) for Equity Investment #1	10,000	January 1, 2024 to March 9, 2024	March 10, 2024 to June 30, 2024
Units not allocated to Members	5,000	January 1, 2024 to June 30, 2024	Not applicable

Examples of how Income is Allocated between Unitholders (Manager and Members)

After subtraction of any fees to Manager and subtraction of any Company Expenses, the following examples show how remaining Income is allocated.

Current Income Allocation Examples

(i) Example #1: Debt Investment– 1st earnings / interest payment

- Debt Investment A made by Manager for $50,000 on Day 1. 5000 Units created for this Investment at $10.00/Unit
- On Day 15, Member #1 is allocated 20% of an investment (Investment Allocation Percentage) – 1000 Units
- Interest Payment Received after 30 days = $1000 with no prior Income distribution

Member #1's pro rata share as follows:

- Duration from start of investment to when Interest payment was received equals 30 days
- Duration since Member #1 allocated Units into investment is 15 days
- Investment Duration Allocation = 15 / 30 = 50%
- Member #1's pro rata share on the 1000 Units = $1000 x 50% x 20% = $100
- Manager's pro rata share on the 1000 Units = $1000 x 50% x 20% = $100

Example #2: Debt Investment– follow-on earnings / interest payment

- Debt Investment A (same as above) with Member #1 allocated 1000 Units
- Income Received = $2000 (follow-on earnings / interest payment)

Member #1's pro rata share as follows:

- Duration since last Income received equals 90 days
- Income Allocation = 90 / 90 = 100% since Member #1 was allocated Units for full duration of time since last Income
- Member 1's pro rata share of Income on 1000 Units = $2000 x 100% x 20% = $400
- Manager's pro rata share on the 1000 Units = $0

Example #3: Equity Investment– cash distribution

- Member #2 allocated 20% of an investment (Investment Allocation Percentage)
- Duration from start of investment to December 31st of current year equals 500 days
- Duration since Member #2 allocated into investment to December 31st of current year equals 400 days
- Since Manager capital was allocated to those units for initial 100 days, Manager gets its share of the Cash Distribution
- Investment Duration Allocation for Member #2 = 400 / 500 = 80%
- Investment Duration Allocation for Manager = 100 / 500 = 20%
- Cash Distribution = $5000
- Member #2's pro rata share = $5000 x 20% x 80% = $800
- Manager's pro rata share = $5000 x 20% x 20% = $200

Allocation of Distribution Proceeds

After subtraction of any Executive Compensation to Manager and subtraction of any Company Expenses, the following examples show how remaining Distributions are allocated.

Disposition Proceeds and/or Distributions shall be allocated to each Unitholder's Series Account relating to such Investment based on the methodology below:

Example #1: Debt Investment– Successful Exit

- Member is allocated 5000 Units at $10.00/Unit for a $50,000 investment
- Member receives Income on a monthly basis
- Investment exits successfully and all principal is returned
- Member's pro rata share of Disposition Proceeds = $50,000

Example #2: Debt Investment– Unsuccessful Exit

- Member is allocated Units equal to $50,000 of an investment
- Underlying Investment goes into foreclosure and only 90% of original capital is returned
- Member's pro rata share of remaining after Company expenses is Disposition Proceeds = 90% x $50,000 = $45,000

Example #3: Equity Investment– Successful Exit (example assumes no Manager performance fees)

- Total investment size = $25,000
- Duration from start of investment to exit of investment equals 1,000 days
- Manager is allocated 500 Units equal to $5,000 of a $25,000 investment for first 200 days
- Member is then allocated the same 500 Units equal to $5,000 for the remainder 800 days
- Investment exits successfully with total of $35,000 returned
- All Unitholders first receive their capital back of $25,000 leaving $10,000 in additional proceeds
- Member's Investment Duration Allocation on the 500 Units = 800 / 1,000 = 80%
- Manager Investment Duration Allocation on the 500 Units = 200 / 1,000 = 20%
- Member's Investment Allocation Percentage = 20% ($5,000/$25,000)
- Member's pro rata share of earnings = 80% x 20% x $10,000 = $1,600
- Manager's pro rata share of earnings = 20% x 20% x $10,000 = $400
- Member's total Distribution Proceeds = $5,000 + $1,600 = $6,600
- Manager's pro rata share of earnings for the 500 Units = $400

The undersigned Member hereby acknowledges that they have reviewed this **EXHIBIT B – DISTRIBUTION METHODOLOGY** and understands how calculations are performed.

_____ DATE: _____

MEMBER SIGNATURE

NAME: _____

SUBSCRIPTION AGREEMENT

The undersigned investor ("***Investor***") hereby subscribes for a Company interest ("***Interest***") and in consideration therefore hereby agrees to make an initial Capital Contribution of

$_____.00

to **SuGo Build Your Own Portfolio LLC**, a Delaware Limited Liability Company ("***Company***"), upon the terms and conditions set forth herein, in the Company's Confidential Private Placement Memorandum dated February 4, 2025 ("***PPM***"), and the Limited Liability Company Operating Agreement dated February 4, 2025 ("***Operating Agreement***"), as such documents may be amended from time to time. Capitalized terms used and not defined herein shall have the meaning assigned to such terms in the Operating Agreement. This Subscription Agreement ("***Subscription Agreement***") shall become effective and binding upon the acceptance by the Company.

While Investor will not sign subsequent subscription agreements for additional Capital Contributions, the acceptance of this Subscription Agreement is an agreement by the Investor or Member that they are agreeing to the terms of this Subscription Agreement for all future Capital Contributions.

1. **Representations and Warranties.** The undersigned represents and warrants to the Company and Manager:

   (a) The Interest is being purchased for their own account without the participation of any other person, with the intent of holding the Interest and without the intent of participating, directly or indirectly, in a distribution of the Interest and not for resale in connection with any distribution of the Interest, nor is the undersigned aware of the existence of any distribution of Company Interests.

   (b) The undersigned has evaluated the risk of investing in the Company and is acquiring the Interest based only upon its independent examination and judgment as to the prospects of the Company as determined from information obtained directly by the undersigned from the Company or its authorized representatives. The undersigned understands that an investment may result in a substantial or total loss.

   (c) The undersigned qualifies as an ***accredited investor*** as defined in Securities and Exchange Commission Rule 501(a) of Regulation D (17 CFR 230.501(a)). The undersigned is aware that Manager may generally solicit and advertise Interests in the Company to the public under Section 506(c) of Regulation D of the Securities Act and is relying upon the accuracy of that information. The undersigned agrees to verify its status as an ***accredited investor*** through independent authorized third parties, such as CPA, attorney, licensed investment advisor or broker/dealer or by providing to Issuer two years of tax or wage statements, brokerage or bank statements, confirmation by third parties or other methods deemed acceptable by Manager and will provide additional materials as the Company reasonably requests to further confirm the information contained herein.

   (d) The undersigned's overall commitment to investments which are not readily marketable is not disproportional to their net worth and their acquisition of the Interests will not cause such overall commitment to become excessive.

   (e) This investment involves a high degree of risk and the undersigned can sustain a substantial loss of this investment. The undersigned is willing to bear the economic risk of investment in the Interests for the period of time stipulated in the withdrawal provisions of the Operating Agreement.

   (f) The address set forth by Investor is true and correct.

   (g) If Investor is or would be an investment company as defined by the Investment Company Act, Investor represents that but for the exceptions contained in Section 3(c)(1) of the Investment Company Act, it recognizes that the Company is restricted by law as to the number of beneficial owners of the Company, and, that in determining the number of beneficial owners involving entities, it may be necessary to count the beneficial owners of the Investor if its Interest is greater than 10% of the outstanding Interests held by all Members. Accordingly, Investor agrees to take whatever action is requested by the Company to ensure that its Interest represents less than 10% of the total Interests held by all Members and expressly agrees that Manager may require Investor to withdraw at any time so much of its Capital Account as is necessary to keep such Interest below 10%.

   (h) The execution and delivery of this Subscription Agreement by the undersigned has been duly authorized and constitutes the valid and binding agreement of the undersigned enforceable against the undersigned in accordance with its terms.

   (i) No provision of any applicable law, regulation or document by which the undersigned is bound prohibits the purchase of the Interest by the undersigned.

   (j) Further Representations and Warranties by Investor Subject to Employee Retirement Income Security Act of 1974, as amended ("***ERISA***").

   (i) If the undersigned is a pension plan or retirement fund, no individual or employer participating directly or indirectly in the plan or the fund (collectively the "***Plan***"), acting in his or its capacity as an individual or employer (*recognizing that with respect to roll-over and similar accounts, the sole beneficiary may be acting in the capacity of Plan Investment Fiduciary, as defined below*), can direct the investments of the Plan (or any pension plan participating in the Plan); the initial decision to invest assets of the Plan in the Company has been made, and the decision to make subsequent investments of assets of the Plan in the Company will be made, by a fiduciary of the Plan (unrelated to Manager) ("***Plan Investment Fiduciary***") acting in the exercise of its sole discretion to make such investment decisions, and such fiduciary has the authority and may, in its sole discretion, subsequently determine to withdraw such investment from the Company and to invest such assets elsewhere; the decision to invest assets of the Plan in the Company was not, and any

subsequent decision to withdraw assets from the Company will not be, made pursuant to the direction of any individual or individuals participating in the Plan, and no individual or individuals participating in the Plan will determine whether or how much of their assets will be invested in the Company; neither the employer nor any other person associated with the Plan shall have, or attempt to exercise, the power to influence or control the appointment or removal of Manager, or any successor to any such person, the terms of the Operating Agreement, the investment objectives, policies or restrictions of the Company, and the investment or management decisions regarding the Company; and neither the employer nor any other person associated with the Plan has made or will make any representation to individuals participating in the Plan that all or any specific portion of their contributions will be invested in the Company. The undersigned acknowledges that it understands (and Manager agrees) that neither Manager nor any person acting on behalf of the Company or Manager will have any direct contact with individuals as such participating in the Plan regarding investment of contributions to the Plan.

(ii) All types of investments to be made by the Company as described in the PPM are permitted under the terms of the Plan.

(iii) The undersigned is a named fiduciary, within the meaning of Section 402(a) of ERISA, of such Plan, and in accordance with Section 403 of ERISA, at least one signatory for the Plan hereunder is a "trustee" or "investment manager" of the Plan as defined in ERISA.

(iv) If the undersigned is an employee benefit plan or related Company qualified under Section 401(a) or 501(a) of the Code, respectively, the person executing this Subscription Agreement on behalf of the undersigned represents that he or she and the Plan Investment Fiduciary have been informed of and understand the Company's investment objectives, policies and strategies and that the decision to invest in the Company is consistent with the provisions of the Code, ERISA, and the governing documents of the Plan and that he or she has the authority to execute this Subscription Agreement on behalf of the undersigned.

(v) The undersigned and/or the Plan Investment Fiduciary will provide to Manager upon acceptance of this Subscription Agreement and from time-to-time thereafter upon reasonable notice a list of the parties in interest, as defined in ERISA Section 3(14), of the Plan.

(k) Investor understands and agrees that the Company prohibits the investment of funds by any persons or entities that are acting, directly or indirectly, (i) in contravention of any U.S. or international laws and regulations, including anti-money laundering regulations or conventions, (ii) on behalf of terrorists or terrorist organizations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury Department's Office of Foreign Assets Control[2] ("***OFAC***"), as such list may be amended from time to time, (iii) for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure[3], unless Manager, after being specifically notified by Investor in writing that it is such a person, conducts further due diligence, and determines that such investment shall be permitted, or (iv) for a foreign shell bank[4] (such persons or entities in (i) – (iv) are collectively referred to as "***Prohibited Persons***").

(l) Investor understands the Company will not register as an investment company under the Investment Company Act, nor will it make a public offering of its Interests within the United States. Investor understands the Company must comply with Section 3(c)(1) of the Company Act, and, accordingly, the Interests may not be beneficially owned by more than 100 persons. If Investor is an entity, Investor represents (i) it was not formed for the purpose of investing in the Company, (ii) it does not invest more than 40% of its total assets in the Company, (iii) each of its beneficial owners participates in investments made by Investor pro rata in accordance with its interest in Investor and, accordingly, its beneficial owners did not and will not contribute additional capital (other than previously committed capital) for the purpose of purchasing Interests.

(m) If Investor is a corporation, company, limited liability company, trust or other entity and is not an employee benefit plan ("***Employee Benefit Plan***") as defined under ERISA, less than 25% of the value of each class of equity interests in the Investor (excluding from the computation interests of any individual or entity with discretionary authority or control over the assets of the Investor) is held by Employee Benefit Plans.

(n) If Investor is a pension plan, IRA or other tax-exempt entity, it is aware it may be subject to Federal income tax on any unrelated business taxable income from its investment in the Company.

(o) If Investor is a corporation, it is duly and validly organized, validly existing and in good tax and corporate standing as a corporation under the laws of the jurisdiction of its incorporation with full power and authority to purchase the Interest and to execute and deliver this Subscription Agreement. Investor agrees to furnish to Manager and/or Administrator, upon request, documentation satisfactory to Manager in Manager's

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[2] The OFAC list may be accessed at http://www.treas.gov/ofac.

[3] Senior foreign political figure means a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party or a senior executive of a foreign government-owned corporation. In addition, a senior foreign political figure includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure. The immediate family of a senior foreign political figure typically includes the political figure's parents, siblings, spouse, children and in-laws. A close associate of a senior foreign political figure is a person who is widely and publicly known internationally to maintain an unusually close relationship with the senior foreign political figure and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

[4] Foreign shell bank means a foreign bank without a physical presence in any country but does not include a regulated affiliate. A post office box or electronic address would not be considered a physical presence. A regulated affiliate means a foreign shell bank that: (1) is an affiliate of a depository institution, credit union or foreign bank that maintains a physical presence in the United States or a foreign country, as applicable; and (2) is subject to supervision by a banking authority in the country regulating such affiliated depository institution, credit union or foreign bank.

reasonable discretion and/or Administrator in Administrator's reasonable discretion, evidencing such organization, existence, standing, power and authority.

(p) If Investor is purchasing in a representative or fiduciary capacity, the representations and warranties herein shall be deemed to have been made on behalf of the person or persons for whom Investor is so purchasing, and Investor agrees to furnish to Manager and/or Administrator, upon request, documentation satisfactory to Manager in Manager's sole discretion and/or Administrator in Administrator's discretion, supporting the truthfulness of such representations and warranties as made on behalf of such person or persons.

(q) Investor covenants and agrees to provide promptly, and update periodically, at any times requested by Manager and/or Administrator, any information (or verification thereof) Manager and/or Administrator deems necessary to comply with any requirement imposed by Sections 1471 through 1474 of the Code, and any U.S. Department of Treasury Regulations, forms, instructions or other guidance issued pursuant thereto in order to reduce or eliminate withholding taxes. Investor acknowledges if it fails to supply such information on a timely basis, it may be subject to a thirty percent (30%) U.S. withholding tax imposed on (i) U.S.-sourced dividends, interest and certain other income and (ii) gross proceeds from the sale or other disposition of U.S. stocks, debt instruments and certain other assets. In addition, Investor covenants and agrees to promptly provide, at any times requested by Manager, any information (or verification thereof) Manager deems necessary for any non-U.S. alternative investment vehicle to enter into an agreement described in Section 1471(b) of the Code, and any information required to comply with the terms of that agreement on an annual or more frequent basis. Investor agrees to waive any provision of foreign law that would, absent a waiver, prevent compliance with such requests and acknowledges that, if it fails to provide such waiver, it may be required by Manager to withdraw from any non-U.S. alternative investment vehicle if necessary to comply with Section 1471(b)(1)(F) of the Code. Investor acknowledges that if it fails to supply such information on a timely basis, it may be subject to a thirty percent (30%) U.S. withholding tax imposed on (x) U.S.-sourced dividends, interest and certain other income and (y) gross proceeds from the sale or other disposition of U.S. stocks, debt instruments and certain other assets. Investor acknowledges that if its failure to comply with any requirement pursuant to this Section results in any non-U.S. alternative investment vehicle being unable to enter into or comply with an agreement described in Section 1471(b) of the Code, Investor will indemnify any non-U.S. alternative investment vehicle and its direct and indirect owners for any losses resulting from such failure. Investor agrees to promptly notify Manager and/or Administrator in writing if the U.S. Internal Revenue Service terminates any agreement entered into with Investor under Section 1471(b) of the Code or any information provided to Manager and/or Administrator pursuant to this *Section* changes.

(r) Investor (i) will provide any form, certification or other information reasonably requested by and acceptable to the Company and/or Administrator that is necessary for the Company and/or Administrator (A) to prevent withholding or qualify for a reduced rate of withholding or backup withholding in any jurisdiction from or through which the Company receives payments or (B) to satisfy reporting or other obligations under the Code and the Treasury Regulations; (ii) will update or replace such form, certification or other information in accordance with its terms or subsequent amendments; and (iii) will otherwise comply with any reporting obligations imposed by the United States or any other jurisdiction, including reporting obligations that may be imposed by future legislation. Investor understands and acknowledges that if Investor fails to provide any such form, certification or other information as requested, Investor would be subject to a withholding tax and Manager and/or Administrator may take any action in relation to Investor's Interests or withdrawal proceeds to ensure that such withholding is economically borne by Investor.

(s) All information provided by Investor to establish ***accredited investor*** status and all representations, warranties and agreements set forth in this Subscription Agreement are true and accurate as of the date hereof and contain no omissions of material fact. Should the foregoing statement cease to be true in any respect, the undersigned will promptly notify Manager and/or Administrator.

2. **Acknowledgments.** The undersigned acknowledges:

(a) Receipt of any information requested from the Company and further acknowledges that no representations or warranties have been made to the undersigned by the Company, Manager or any representative or agent of the Company, other than as set forth in the PPM and the Operating Agreement.

(b) They must continue to bear the economic risk of the investment in the Company for the period of time stipulated in the withdrawal provisions of the Operating Agreement and recognizes the Interests are being (i) sold without registration of securities for sale; (ii) issued and sold in reliance on exemptions from registration under applicable state securities laws; and (iii) issued and sold in reliance on certain exemptions from registration, including Regulation D, under the Securities Act.

(c) This subscription may be accepted or rejected in whole or in part in the sole discretion of Manager.

(d) Manager reserves the right to refuse to make payment to Investor if Manager suspects or is advised the payment might result in a breach or violation of any applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or such refusal is considered necessary or appropriate to ensure compliance with any such laws or regulations in any relevant jurisdiction.

(e) They are aware the Interest may only be transferred with Manager's prior consent, which may be withheld in Manager's sole and reasonable discretion.

(f) They have received and carefully read and are familiar with the Operating Agreement and PPM.

(g) They are purchasing the Interest relying only on information in the Operating Agreement and PPM.

(h) There is no, nor is there expected to arise, public market for the Interests, and they may have to hold the Interest indefinitely and it may not be possible to liquidate the Interests other than by withdrawal as provided in the Operating Agreement.

(i) They understand Members have no right to amend or terminate the Operating Agreement or to appoint, select, vote for or remove Manager or its agents or otherwise participate in Company business decisions.

(j) Manager will exercise all rights, powers and privileges of ownership in all Company property, including the right to vote, give assent, execute and deliver proxies and Company proxy voting policies override the undersigned's proxy voting policies. The undersigned adopts the voting policies for purposes of its investment.

(k) Non-public information concerning Investor set forth in this Subscription Agreement or otherwise disclosed by Investor to the Company and/or Administrator, or other agents of the Company ("***Information***") (such as Investor name, address, social security number, assets and income) (i) may be disclosed to Manager, attorneys, accountants and third-party administrators in furtherance of Company business and (ii) as otherwise required by law. Company and Manager restrict access to the Information to their employees who need to know to provide services to the Company, and maintain physical, electronic and procedural safeguards that comply with U.S. federal standards to guard the Information.

(l) If any of the foregoing representations, warranties or covenants cease to be true or if the Company and/or Administrator no longer reasonably believe they have satisfactory evidence as to their truth, the Company and/or Administrator may freeze Investor investment, by prohibiting additional investments, declining or suspending any withdrawal requests and/or segregating the assets constituting the investment in accordance with applicable regulations, or Investor's investment may immediately be involuntarily withdrawn by the Company and/or Administrator and the Company and/or Administrator may be required to report such action and to disclose Investor identity to OFAC or other authority. If the Company and/or Administrator is required to take any of the foregoing actions, Investor understands and agrees it shall have no claim against the Company, Manager and/or Administrator and their affiliates, directors, Members, shareholders, officers, employees and agents for damages.

(m) The discussion of the tax consequences arising from investment in the Company in the PPM is general in nature, may not address the tax consequences specific to Investor and does not address all tax issues that may arise. The tax consequences to the undersigned depend on their particular circumstances.

(n) Investor should not construe the contents of the PPM, or any prior or subsequent communication from Manager or any of its respective agents, officers or representatives, as legal or tax advice. Investor should consult his, her or its own advisors as to legal and tax matters concerning an investment in the Company.

(o) If Investor is a pension plan, IRA or other tax-exempt entity, it is aware it may be subject to Federal income tax on any unrelated business taxable income from its investment.

(p) The undersigned has received and reviewed the Company's *PRIVACY POLICY NOTICE* in the PPM.

(q) Manager is relying on information provided by Investor to establish accredited investor status and the agreements, representations and warranties set forth in this Subscription Agreement as a basis for Company eligibility to rely on exemptions from registration requirements discussed in the PPM.

3. **Agreements.** The undersigned hereby agrees as follows:

(a) If their subscription is accepted by Manager, they shall become a Member and be bound by all terms and provisions of the Operating Agreement and any amendments, including the prohibition on transfers and will perform all obligations imposed on the undersigned with respect to their Interest.

(b) The Interest will not be offered for sale, sold or transferred other than in accordance with the Operating Agreement and pursuant to (i) an effective registration under the Securities Act or in a transaction which is otherwise in compliance with the Securities Act; and (ii) evidence satisfactory to the Company of compliance with the applicable securities laws of other jurisdictions. The Company will rely on an opinion of counsel satisfactory to it with respect to compliance with the above laws and may refuse to permit the transfer of the Interest unless the transfer request is accompanied by an opinion of counsel acceptable to the Company to the effect that neither the sale nor the transfer will result in any violation of the Securities Act or the securities laws of any other jurisdiction.

(c) A legend indicating the Interest has not been registered under such laws and referring to the restrictions on transferability and sale of the Interest may be placed on any digital Unit Register or certificate(s) or other document delivered to the undersigned or any substitute therefore and Manager or any transfer agent may be instructed to require compliance therewith.

(d) Any representation made hereunder will be deemed to be reaffirmed by the undersigned at any time the undersigned makes an additional Capital Contribution to the Company and the act of making such additional contribution will be evidence of such reaffirmation.

(e) In order to comply with the U.S. Bank Secrecy Act of 1970, as amended by Title III of the USA PATRIOT Act and other anti-money laundering, anti-terrorism and similar laws, rules and regulations adopted by the U.S. Department of the Treasury or any other governmental authority with jurisdiction over the Company Investor agrees to provide documentation verifying, among other things, Investor's identity and source of funds used to purchase its Interest. In addition, Investor agrees to be screened against the List of Specially Designated Nationals and Blocked Persons administered by OFAC. Investor agrees to comply with any requests for documentation and additional information that may be made at any time during which an Investor holds an Interest. Manager may be required to report the failure to provide this information to appropriate governmental authorities, in certain circumstances without notifying the Investor that the information has been provided.

(f) Investor agrees to comply if the Company is requested or required to obtain additional information to verify the identity of Investors, obtain certain assurances from Investors subscribing for Interests, disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future.

(g) If the Company is determined to be a ***Reporting Company***, Investor agrees its information as a beneficial owner will be reported to the Treasury.

4. **State Securities Waiver**. You are investing in and purchasing a **Federal Covered Security**. Some States **(**such as Oregon) have passed State Laws that grant additional State rights to investors that go beyond Federal Securities Laws. By executing this Subscription Agreement, you irrevocably waive additional State protections to the fullest extent permitted by Federal Securities Laws. You state and confirm the protections afforded under Federal Securities Laws are adequate and appropriate given your level of sophistication and status as an accredited Investor. You irrevocably waive and release all claims and rights of action under the participant liability or material aid provisions of any State Securities Laws, including but not limited to, the right to seek rescission. Nothing in this *Section* limits or restricts a party from asserting claims under Federal Securities Laws or for breach of contract.

5. **Indemnification.** The undersigned understands the meaning and legal consequences of the representations, warranties and other agreements made by the undersigned herein, and that the Company and Manager are relying on such representations and warranties in making their determination to accept or reject this Subscription Agreement. The undersigned hereby agrees to indemnify and hold harmless the Company, Manager, Administrator and any agent, director, officer or employee thereof from and against any and all loss, damage or liability due to or arising out of a breach of any representation, warranty or agreement of the undersigned contained in this Subscription Agreement. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith; nothing in this Subscription Agreement shall constitute a waiver or limitation of any rights which the undersigned may have under applicable federal and state securities laws. If the undersigned is a Plan, this indemnification obligation in this paragraph applies to the Plan's sponsor.

   Nothing in the Operating Agreement or PPM may be interpreted to limit or modify Manager's fiduciary duty to Members and does not waive any right or remedy Members may have under federal or state securities laws. Federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith.

6. **Effective Date of Contribution.** The undersigned shall become a Member in the Company as of a given date only to the extent that Manager receives cleared funds.

7. **Governing Law.** This Subscription Agreement and all amendments hereto shall be governed by and construed in accordance with the laws of the State of Delaware and the Securities Act of the State of Delaware together with the rights and obligations of the parties hereunder, shall be construed under and governed by the laws of such state without giving effect to any choice or conflict of law provisions or rules that would cause the application of the domestic substantive laws of any other jurisdiction.

8. **Electronic Signature and Confirmation.** The agreements and representations made by the undersigned herein extend to and apply to all of the Capital Contributions now or hereafter made to the Company by the undersigned. The signature of the undersigned constitutes a confirmation by the undersigned that all agreements, representations and warranties made herein shall be true and correct as of the date hereof. If the undersigned is a Plan, the signature of its sponsor represents the sponsor's obligation to be bound by the provisions herein.

9. **Arbitration**. Any controversy or claim arising out of or relating to this Subscription Agreement, or the breach thereof, shall be determined by final and binding arbitration administered by the American Arbitration Association ("***AAA***") under its Commercial Arbitration Rules and Mediation Procedures ("***Commercial Rules***") or other agreed to Arbiter in San Rafael, CA. Manager and Members each agree that any dispute resolution proceedings will be conducted only on an individual basis and not in a class, consolidated or representative action. Each party to bear their own costs and attorney's fees. Arbitrator may allow for discovery and hearing by remote attendance. However, Arbitrator is authorized to fashion relief to a prevailing party if they consider such an award to be just and fair under the circumstances existing at the time of arbitration.

10. **Limitation on Ability to Recover Damages**. The Operating Agreement provides that Manager is not liable to the Company for any loss or liability incurred in connection with the affairs of the Company unless such loss or liability results from willful misconduct, gross negligence or bad faith of Manager. Therefore, Investors may have a more limited right of action against Manager than they would have had absent these provisions.

BAD ACTOR EVENTS

The following questions pertain to "Bad Actor Events" under Rule 506(d) of the Securities Act of 1933, which may trigger disqualification of a Rule 506 offering. Thus, it is important that all Investors carefully consider and answer each question. Entities with more than one beneficial owner must answer the questions on behalf of each beneficial owner.

1.	Have you been convicted, within ten years (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor: • in connection with the purchase or sale of any security; • involving the making of any false filing with the SEC; or • arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment advisor or paid solicitor of purchasers of securities?	____ ____ **NO YES**	If yes, please explain:
2.	Are you subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the sale of the securities, that, at the time of such sale, restrains or enjoins you from engaging or continuing to engage in any conduct or practice: • in connection with the purchase or sale of any security; • involving the making of any false filing with the SEC; or • arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?	____ ____ **NO YES**	If yes, please explain:

3.	Are you subject to a final order[5] of a state securities commission (or an agency of officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the Commodity Futures Trading Commission; or the National Credit Union Administration that:
	• at the time of the sale of the securities, bars you from:
	  • association with an entity regulated by such commission, authority, agency or officer; or
	  • engaging in the business of securities, insurance or banking; or
	  • engaging in savings association or credit union activities; or
	• constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before the sale of the securities?
		____ ____
		NO YES
			If yes, please explain:

4.	Are you subject to an order of the SEC entered pursuant to Section 15(b) or 15B(c) of the Securities Exchange Act of 1934 (the "Exchange Act") or Section 203(e) or 203(f) of the Investment Advisers Act of 1940 (the "Advisers Act") that, at the time of the sale of the securities: • suspends or revokes your registration as a broker, dealer, municipal securities dealer or investment adviser; • places limitations on the activities, functions or operations of, or imposes civil money penalties on, such person; or • bars you from being associated with any entity or from participating in the offering of any penny stock?	____ ____ **NO YES**	If yes, please explain:
5.	Are you subject to any order of the SEC, entered within five years before the sale of the securities, that, at the time of such sale, orders you to cease and desist from committing or causing a future violation of: • any scienter-based anti-fraud provision of the federal securities laws, including, but not limited to, Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder; or • Section 5 of the Securities Act?	____ ____ **NO YES**	If yes, please explain:
6.	Have you been suspended or expelled from membership in, or suspended or barred from association with a member of, a securities self-regulatory organization (*e.g.,* a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade?	____ ____ **NO YES**	If yes, please explain:
7.	Have you filed (as a registrant or issuer), or were you named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years before the sale of the securities, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the time of the sale of the securities, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued?	____ ____ **NO YES**	If yes, please explain:
8.	Are you subject to a United States Postal Service false representation order entered within five years before the sale of the securities, or are you, at the time of the sale of the securities, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations?	____ ____ **NO YES**	If yes, please explain:

[5] A "final order" is a written directive or declaratory statement issued by a federal or state agency described in Rule 506(d)(1)(iii) under the Securities Act of 1933 under applicable statutory authority that provides for notice and an opportunity for a hearing, which constitutes a final disposition or action by that federal or state agency.

INVESTOR SIGNATURE PAGE

I wish to become a Member of **SuGo Build Your Own Portfolio LLC** a Delaware Limited Liability Company ("***Company***"). I have read the Operating Agreement of the Company dated February 4, 2025 ("***Operating Agreement***") and I know and understand the terms. I hereby subscribe to the Operating Agreement and agree to abide by and be subject to its terms and provisions and agree that my Membership Interest is subject to its provisions.

My signature on this Subscription Agreement does not automatically entitle me to Membership in the Company. I agree and give all covenants and warranties that all Investors give such as: understanding the risk of this investment; I meet the investor suitability requirements of being an ***accredited investor***, understanding the merits and risks of this investment and have the financial wherewithal to sustain its loss; Interests have restricted transfer and no public market; I may lose all of my investment; I have conducted my own due diligence, sought my own professional counsel, asked any question of the Company I may have and am satisfied with the results of such pursuits; no documents provided to me by the Company constitute any sort of guarantee.

The failure on my part of any of these warranties may void my subscription.

My signature on this Subscription Agreement will be treated as if my signature were on the Operating Agreement.

I have read the ***Arbitration*** and ***Limitation on Ability to Recover Damages*** sections in the Subscription Agreement, as well as the ***Risk Factors*** in the PPM and understand and agree to the same.

I understand Manager is not my financial advisor and I make my own investment decisions; Manager does not charge Asset Management Fees but may get compensated at the investment level for services performed and success achieved.

INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR UNDER STATE SECURITIES LAWS. INTERESTS ARE OFFERED AND SOLD UNDER EXEMPTIONS FROM REGISTRATION PROVIDED BY SECTIONS 4(2) AND 3(b) OF THE SECURITIES ACT AND REGULATION D PROMULGATED THEREUNDER. INTERESTS CANNOT BE RESOLD OR TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS OR IN A TRANSACTION WHICH IS EXEMPT FROM SUCH LAWS.

An executed Form W-9–Request For Taxpayer Identification Number & Certification is required.

PLEASE FILL OUT THE BELOW RESPECTIVE SECTION FOR THE TYPE OF ACCOUNT SELECTED.

Type of account: ____ Individual/Joint ____ SD-IRA ____ Entity ____ Solo 401k ____ Trust

Individual & Joint Accounts	Primary Investor Name & SSID / Tax ID	
	Secondary Investor Name & SSID / Tax ID	
	Address for Tax Return	

SD-IRA Accounts	Investor/Entity Name	
	Investor/Entity Address	
	Custodian Name	
	Custodian Address & Phone Number	
	Account Title Provided by Custodian	
	Address for Tax Return	
	EIN Provided by Custodian	

Solo 401k Account	Investor/Entity Name	
	Investor/Entity Address	
	Account Title	
	Address for Tax Return	
	Tax ID (SSID or EIN)	

Trust Accounts	Legal Name of Trust	
	Name(s) of Trustees	
	Name(s) of Beneficial Owner(s)	
	Entity EIN of Trust or Primary SSID	
	Entity Address for Tax Return	
	For proper K1 reporting, please answer the following: Does the trust listed in your investor agreements file a 1041 tax return? ___YES or ___NO **If YES, please:** Reconfirm Tax ID for tax return _____ **If NO, please provide:** Name of person (beneficial owner) who reports this income on their tax return (Last, First): _____ Social Security number of person (beneficial owner) who reports the income: _____ (XXX-XX-XXXX)	

Entity Accounts	Entity Legal Name	
	Name(s) of Beneficial Owner(s) if less than $5 million assets *(entity is not accredited)*	
	Name & Title of Signatory	
	Entity EIN	
	Entity Address for Tax Return	
	For proper K1 reporting, please answer the following: Does this entity file its own tax return? ___YES or ___NO **If YES, please choose one of the following:** 1120 _____ 1120S _____ 1065 _____ 1041 _____ **If NO, please provide:** Name of person (beneficial owner) who reports this income on their tax return (Last, First): _____ Social Security number of person (beneficial owner) who reports the income: _____ (XXX-XX-XXXX)	

PLEASE ENSURE ABOVE SECTION IS FILLED OUT FOR THE TYPE OF ACCOUNT SELECTED

Signature	Print Name	Date

ACCEPTED AND APPROVED:

SuGo Build Your Own Portfolio LLC by its Manager:

SuGo Build Your Own Portfolio Manager LLC, by its Manager:

SuGo Capital LLC, by its Member Manager:

Member Manager Name	Signature	Date

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See ***Specific Instructions*** on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–		–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	**Signature of U.S. person**	**Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

• Form 1099-INT (interest earned or paid).

• Form 1099-DIV (dividends, including those from stocks or mutual funds).

• Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).

• Form 1099-NEC (nonemployee compensation).

• Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).

• Form 1099-S (proceeds from real estate transactions).

• Form 1099-K (merchant card and third-party network transactions).

• Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).

• Form 1099-C (canceled debt).

• Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);

2. Certify that you are not subject to backup withholding; or

3. Claim exemption from backup withholding if you are a U.S. exempt payee; and

4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and

5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

• An individual who is a U.S. citizen or U.S. resident alien;

• A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;

• An estate (other than a foreign estate); or

• A domestic trust (as defined in Regulations section 301.7701-7).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

• In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.

• In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.

• In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester;

2. You do not certify your TIN when required (see the instructions for Part II for details);

3. The IRS tells the requester that you furnished an incorrect TIN;

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or

5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or "doing business as" (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner's name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

• Generally, individuals (including sole proprietors) are not exempt from backup withholding.

• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.

• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.

• Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

2—The United States or any of its agencies or instrumentalities.

3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.

5—A corporation.

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.

7—A futures commission merchant registered with the Commodity Futures Trading Commission.

8—A real estate investment trust.

9—An entity registered at all times during the tax year under the Investment Company Act of 1940.

10—A common trust fund operated by a bank under section 584(a).

11—A financial institution as defined under section 581.

12—A middleman known in the investment community as a nominee or custodian.

13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5.[2]
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

[1] See Form 1099-MISC, Miscellaneous Information, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/EIN*. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name on line 1, and enter your business or DBA name, if any, on line 2. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 877-777-4778 or TTY/TDD 800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Go to *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.