SUBSCRIPTION AGREEMENT

Date of Subscription Agreement:	**_____, 2023 (the "Effective Date")**
Issuer:	**[KC Fund LLC], a Delaware limited liability company (the "Company")**
Purchaser:	**_____ (the "Purchaser")**
Taxpayer EIN/SSN:	**_____**
Maximum Dollar Amount of Investor Units ("Investor Units") of Membership Interest in the Company Subscribed For	**$_____ ("Maximum Subscription Amount")**
Purchaser Contact Information:	**Address:**
	Phone:
	E-mail:

This SUBSCRIPTION AGREEMENT (this "Agreement") is dated and made effective as of the Effective Date by and between the Company and the Purchaser. The Purchaser and the Company are each referred to herein individually as a "Party," and collectively as the "Parties."

WHEREAS, the Purchaser desires to purchase Investor Units pursuant to the terms set forth herein and to be admitted to the Company as a Member (as defined in that certain Limited Liability Company Operating Agreement of the Company, the "Operating Agreement," attached hereto as Exhibit A). Capitalized terms used but not defined herein shall have the meanings set forth in the Operating Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, representations and warranties contained in this Agreement, the Purchaser's agreement to become a party to the Operating Agreement, and other valuable consideration exchanged by the Parties as set forth herein, the Parties, intending to be legally bound, hereby agree as follows:

Section 1. Subscription.

(a) Subscription of Units. Subject to the terms and conditions of this Agreement, the Purchaser agrees to purchase up to the Maximum Subscription Amount of Investor Units. Once submitted, this subscription shall not be revoked without the consent of the Manager.

(b) Acceptance of Subscription. The Company may accept all or part of the Purchaser's subscription up to the Maximum Subscription Amount. The Company shall deliver written notice (an "Acceptance Notice") to the Purchaser of the amount of the Maximum Subscription Amount accepted and the number of subscribed Investor Units to be issued with respect thereto ("Accepted Units"). The Company may deliver more than one Acceptance Notice, provided that the total dollar amount subscribed and accepted may not exceed the Maximum Subscription Amount. There is no minimum number of Investor Units which must be sold in this offering before a purchase of Units pursuant to this Agreement may close.

(c) Transfer of Accepted Units. No later than ten (10) days following delivery of an Acceptance Notice, the Purchaser shall deliver to the Company by wire transfer of immediately available funds or certified check subject to collection, the aggregate purchase price for the Accepted Units as stated in the Acceptance Notice (the "Purchase Price"). Promptly following delivery of the Purchase Price for the Accepted Units, the Company shall reflect the issuance of such Accepted Units on its books and records. All Investor Units subscribed for, accepted and purchased by the Purchaser hereunder are referred to herein as "Purchaser Units". The Purchaser Units shall not be issued in certificated form, unless otherwise determined by the Manager.

(d) Execution of Operating Agreement. Upon the issuance of Purchaser Units, the Company shall admit the Purchaser as a Member. Effective as of the date of the first issuance of any Purchaser Units, without any further action required on the part of the Purchaser, the Purchaser shall become a party to the Operating Agreement and shall be bound by the terms and provisions of the Operating Agreement applicable to Members of the Company and be included within the term "Member" (as defined in the Agreement), and the Purchaser's signature of this Agreement will serve as the Purchaser's signature of the Operating Agreement.

Section 2. Representations and Warranties of the Purchaser. The Purchaser hereby represents and warrants to the Company, as of the date hereof and as of the date of issuance of any Purchaser Units, as follows:

(a) Authority. The Purchaser has full power and authority to enter into and perform its obligations under this Agreement without consent or action by any third party. This Agreement is a valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject only to the bankruptcy, insolvency, moratorium and other laws affecting creditors' rights generally and to general equitable principles.

(b) Valid and Binding. This Agreement and the transactions contemplated hereby have been duly authorized by the Purchaser and, when executed and delivered by the Purchaser, this Agreement, and the transactions contemplated hereunder, will constitute valid and binding obligations of the Purchaser.

(c) Compliance. None of the execution, delivery or performance of this Agreement by the Purchaser, nor the completion of the transactions contemplated hereby, will, with or without the giving of notice or the passage of time or both, conflict with, result in default or loss of rights under or result in the creation of any lien on the Purchaser Units pursuant to, or violate the terms of, any note, mortgage, agreement, lease or other instrument or statute, ordinance, rule, order or regulation to which the Purchaser is a party or by which the Purchaser is bound.

(d) No Registration. The Purchaser fully understands that the Purchaser Units are "restricted securities" and have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or registered or qualified, as applicable, under any state securities laws, and no transfer of the Purchaser Units, or any interest therein, may be made, except pursuant to an effective registration statement under the Securities Act and applicable state securities laws or an exemption therefrom.

(e) Investment Intent. The Purchaser is purchasing Purchaser Units solely for its own account and not as nominee or agent for any other person and not with a view to, or for offer or sale in connection with, any distribution thereof (within the meaning of the Securities Act and the rules and regulations promulgated thereunder), that would be in violation of any federal or state securities laws.

(f) Accredited Investor. The Purchaser (i) is an "accredited investor" as such term is defined in Rule 501(a) promulgated under the Securities Act as set forth in Exhibit B attached hereto, (ii) is an investor experienced in the evaluation of businesses similar to the Company, (iii) is able to fend for itself in the transactions contemplated by this Agreement, (iv) has such knowledge and experience of financial, businesses and investment matters as to be capable of evaluating the merits and risks of its investment in the Company, and (v) has the ability to bear the economic risks of this investment. The Purchaser shall immediately notify the Company in writing of any change in the Purchaser's status as an "accredited investor". The Purchaser's principal residence, if Purchaser is an individual, or principal place of business, if Purchaser is an entity, is as set forth under Purchaser Contact Information above.

(g) Access to Information. The Purchaser has had the opportunity to ask questions of, and to receive answers from, organizers or other representatives of the Company with respect to the terms and conditions of the transactions contemplated hereby and with respect to the business, affairs, financial condition and results of operations of the Company. The Purchaser has had access to such financial and other information as is necessary in order for the Purchaser to make a fully informed decision as to any investment in the Company, and has had the opportunity to obtain any additional information necessary to verify any of such information to which the Purchaser has had access. Without limiting the foregoing, the Purchaser has reviewed the Risk Factors attached hereto as Exhibit C (the "Risk Factors"), which is incorporated herein by reference. The Purchaser understands and acknowledges that the Risk Factors (i) are intended to describe the aspects of the Company's business and prospects that the Company believes to be material, but are not an exhaustive description, and (ii) may contain forward-looking statements involving known and unknown risks and uncertainties that may cause the Company's actual results in future periods or plans for future periods to differ materially from what was anticipated and that no representations or warranties were or are being made with respect to any such forward-looking statements or the probability of achieving any of the results projected in any of such forward-looking statements. The Purchaser understands that the Company is making no representations and warranties other than those specifically set forth in this Agreement.

(h) Transfer Restrictions. The Purchaser understands and agrees that any future transfer of the Purchaser Units purchased under this Agreement is subject to the conditions of this Agreement and the Operating Agreement and to restrictions set forth in federal and state securities laws.

(i) Foreign Investors. If the Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), the Purchaser hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Purchaser Units or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Purchaser Units, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Purchaser Units. The Purchaser's subscription and payment for and continued beneficial ownership of the Purchaser Units will not violate any applicable securities or other laws of the Purchaser's jurisdiction.

(j) Neither the Purchaser nor any persons having a direct or indirect beneficial interest in the Purchaser (1) appears on the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control in the United States Department of the Treasury ("OFAC") or the Annex to United States Executive Order 13224-Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or (2) is a prohibited party under the laws of the United States. The monies used to fund the Purchaser's investment in the Company are not invested for the benefit of, or related in any way to, the government of, or persons within, any country under a U.S. embargo enforced by OFAC. The monies used to fund the Purchaser's investment in the Company are not derived from or related to any illegal activities, including without limitation, money laundering activities, and the proceeds from the Purchaser's investment in the Company shall not be used to finance any illegal activities.

Section 3. Representations and Warranties of the Company. The Company hereby represents and warrants to the Purchaser, as of the date hereof and as of the date of issuance of any Purchaser Units, as follows:

(a) Organization and Standing. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company has all requisite power and authority to own and operate its properties and assets, and to carry on its business as currently conducted and as currently proposed to be conducted.

(b) Authority; Due Execution; Valid and Binding. The Company has full power and authority to execute and deliver this Agreement, to issue and sell the Purchaser Units, and to perform its obligations under this Agreement. The transactions contemplated hereby have been duly authorized by the Company and, when delivered by the Company, this Agreement, and the transactions contemplated hereunder, will constitute valid and binding obligations of the Company.

(c) Due Issuance. The Purchaser Units to be issued to the Purchaser pursuant to this Agreement, when issued and delivered in accordance with the terms hereof in exchange for the Purchase Price, will be duly and validly issued and fully paid, free and clear of any liens, and free from any restrictions on transfer other than as contained in this Agreement and under applicable state and federal securities laws.

Section 4. Miscellaneous.

(a) Restriction of Transfer. None of the Purchaser Units may be sold, transferred or otherwise disposed of nor shall they be pledged or otherwise hypothecated by the Purchaser except as may be permitted under the Operating Agreement. If the Purchaser desires to sell or otherwise dispose of all or any part of the Purchaser Units (other than pursuant to an effective registration statement under the Securities Act or a sale or other disposition made pursuant to Rule 144 promulgated pursuant to the Securities Act, if and when Rule 144 becomes available to the Purchaser), and if all the other conditions in the Operating Agreement concerning such sale or disposal are satisfied, the Purchaser shall first deliver to the Company, if so requested by the Company, an opinion of counsel, reasonably satisfactory in form and substance to the Company, that exemptions from registration under the Securities Act and any applicable state securities laws are available.

(b) Non-Disparagement. The Purchaser shall not publicly criticize, disparage, denigrate, or speak adversely of, or disclose negative information about, the operations, management, or performance of the Company or its Affiliates.

(c) Governing Law. This Agreement and its validity, construction and performance, as well as the rights and obligations of the Parties hereunder, shall be governed, construed and enforced in accordance with the laws of the State of Delaware, without regard to principles of choice of law.

(d) Finder's Fee. Each Party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction. The Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's fee (and the costs and expenses of defending against such liability or asserted liability) for which the Purchaser or any of its officers, employees, or representatives is responsible. The Company agrees to indemnify and hold harmless the Purchaser from any liability for any commission or compensation in the nature of a finder's fee (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

(e) Confidentiality. The Company and the Purchaser agree that, except with the prior written permission of the applicable Party, it shall at all times keep confidential and not divulge, furnish or make accessible to anyone (other than such Party's advisors, attorneys and other representatives who are subject to similar confidentiality obligations as set forth herein) any confidential information, knowledge or data concerning or relating to the business or financial affairs of the other parties to which such party has been or shall become privy by reason of this Agreement, discussions or negotiations relating to this Agreement, the performance of its obligations hereunder or the ownership of Purchaser Units purchased hereunder. The provisions of this Section 4(e) shall be in addition to, and not in substitution for, the provisions of any separate nondisclosure agreement executed by the parties hereto with respect to the transactions contemplated hereby. Notwithstanding the foregoing, the Company may disclose any information regarding the Purchaser necessary to comply with any banking or governmental requirements or applicable laws, including any "know your customer" regulations or similar restrictions. Further, no party shall be in default of its obligations of confidentiality under this Section 4(e), if such

party discloses any confidential information if such party is required to do so by law, court order or governmental regulation, provided that such party shall give the other prompt notice of such requirement and cooperate with the other party to seek an appropriate protective order or other remedy.

(f) Entire Agreement and Amendments. This Agreement and the Operating Agreement represent the entire agreement of the Parties with respect to the subject matter hereof, and supersede all prior contracts, agreements, communications, discussions, representations and warranties, whether oral or written, between the Parties. This Agreement may only be amended in writing executed by each of the Parties hereto.

(g) Notices. All notices and other communications required or permitted hereunder shall be in writing, shall be effective when given, and shall in any event be deemed to be given upon receipt or, if earlier, (i) five days after deposit with the U.S. Postal Service or other applicable postal service, if delivered by first class mail, postage prepaid for deliveries inside the United States, (ii) upon delivery, if delivered by hand or transmitted via facsimile or e-mail, (iii) for deliveries inside the United States, one business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, or (iv) for deliveries outside the United States, three business days after the business day of deposit with an internationally recognized express courier, and shall be addressed (A) if to the Purchaser, at the Purchaser's address set forth above, and (B) if to the Company, at the address below, or at such other address as a Party may designate by 10 days' advance written notice to the other Party pursuant to the provisions above:

If to Company:

[KC Fund LLC]
c/o Kriss Capital LLC
20 West 20th Street, Suite 803
New York, NY 10011
Attention: Jody Kriss

(h) Benefit. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties and their respective legal representatives, heirs at law, distributees, devisees, legatees, assigns and successors in interest.

(i) Separability. If any provision of this Agreement is held by a court of jurisdiction to be invalid, void or unenforceable, (i) the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way and (ii) such unenforceable provision shall be revised, as closely as possible, in accordance with the purpose of this Agreement.

(j) Headings. The subject headings of the sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

(k) Counterparts; Electronic Signature. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, and all of

which shall together constitute a single instrument. Signature pages to this Agreement may be exchanged by facsimile, electronically in portable document format (a/k/a "pdf") or other electronic means. Each party agrees that the electronic signatures, whether digital or encrypted, of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Delivery of a copy of this Agreement or any other document contemplated hereby bearing an original or electronic signature by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means, will have the same effect as physical delivery of the paper document bearing an original or electronic signature.

(l) Survival of Covenants, Representations and Warranties. The covenants, representations or warranties of the Company contained or provided for in this Agreement will not be waived or otherwise affected by any investigation by the Purchaser and will survive the completion of the transactions hereunder for a period of one (1) year from the date hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereby execute this Agreement effective the date first written above.

Name of the Purchaser (please print):

_____

Signature of the Purchaser:

_____

Name and Title of Person Signing on behalf of the Purchaser (if an entity):

_____

[KC Fund LLC]
(THE "COMPANY")
By Kriss Capital LLC, its Manager

By: _____
Name: Jody Kriss
Title: Manager

Exhibit A

Operating Agreement (to be attached)

Exhibit B

Definition of "Accredited Investor"

(A) A bank as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an investment adviser registered pursuant to Section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; an investment adviser relying on the exemption from registering with the SEC under Section 203(l) or (m) of the Investment Advisers Act of 1940; an insurance company as defined in Section 2(a)(13) of the Securities Act; an investment company registered under the Investment Company Act of 1940 (the "Investment Company Act") or a business development company as defined in Section 2(a)(48) of the Investment Company Act; a 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; a Rural Business Investment Company as defined in Section 384A of the Consolidated Farm and Rural Development Act; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

(B) A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.

(C) An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, partnership or limited liability company, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000.

(D) A director or executive officer of the Company.

(E) A natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent[1], at the time of his or her purchase exceeds $1,000,000.[2]

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[1] The term spousal equivalent means a cohabitant occupying a relationship generally equivalent to that of a spouse.

[2] For these purposes, the term "net worth" means the excess of total assets over total liabilities. In accordance with the definition of "Accredited Investor," your primary residence should not be included as an asset in the calculation of your net worth. Indebtedness that is secured by your primary residence, up to the estimated fair

(F) A natural person who had an individual income in excess of $200,000, in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

(G) A trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Securities Act (i.e., a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment).

(H) An entity in which all of the equity owners are accredited investors. (If this alternative is the sole applicable category, the undersigned must identify each equity owner and provide statements signed by each demonstrating how each is qualified as an accredited investor.)

(I) An entity, of a type not described above, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of $5,000,000.

(J) A natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the SEC has designated as qualifying an individual for accredited investor status.

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market value of your primary residence at the time of your purchase of Purchaser Units, should not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your purchase of Purchaser Units exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess should be included as a liability). Indebtedness that is secured by your primary residence in excess of its estimated fair market value at the time of your purchase of Purchaser Units should be included as a liability in the calculation of your net worth.

Exhibit C

Risk Factors

An investment in Units of the Company involves a high degree of risk and should be regarded as speculative. As a result, the purchase of Units should be considered only by persons who can reasonably afford a loss of their entire investment. In addition to the other information contained in this Agreement, prospective investors should consider carefully the following risk factors before purchasing Units.

Nature of Investment. The Company has been formed recently for the purpose of making, originating, acquiring, managing and servicing real estate loans to real estate developers and sponsors to be used for the acquisition and development, or as condominium inventory financing, of primarily residential properties in New York, New Jersey, Connecticut, Pennsylvania and Florida (each a "Portfolio Loan"). The Company's business plan calls for it to, in most instances, bring in one or more other lenders either as co-lenders, participants or in some other financing capacity to take a majority interest in a Portfolio Loan with the Company retaining a minority interest. However, in other instances, the Company may opt to be the sole lender. Although the Company's Manager has experience in this type of real estate lending business and its management team has many years of experience in the real estate industry generally, the Company has no track record to judge its performance and has not yet made any Portfolio Loans. Investment in the Company requires a long-term commitment, with no certainty of a return of, or on, the investment. The Company may experience financial difficulties and those difficulties may never be overcome. There may also be little or no cash flow available to the Members.

Risks of Investing in Real Estate Loans. An investment in real estate loans is speculative and subject to significant risks, is suitable only for sophisticated investors and requires the financial ability and willingness to accept the risks and lack of liquidity that are characteristic of such investments. Some of the risks the Company could face with respect to the Portfolio Loans include:

- We could be mistaken in our view of the value of the real estate underlying a Portfolio Loan. Although we expect to use appraisals to determine the value of the underlying real estate, these appraisals could be incorrect for any number of reasons, including unknown and unanticipated environmental hazards or changes in market conditions.

- A borrower under a Portfolio Loan could tie the Company up in legal proceedings for a lengthy period of time, as we move to foreclose on any security interest we may hold in the underlying real estate.

- A borrower could file for bankruptcy protection, causing further delay and complication.

- Local laws that the Company has not taken into account could hamper the Company's ability to foreclose on any security interest in the real estate securing a Portfolio Loan.

- Information provided to the Company by a borrower could contain material misstatements or omissions.

- Even if we successfully foreclose on any security interest we may hold in the underlying real estate securing a Portfolio Loan, we may not be able to dispose of the property quickly and could incur substantial costs associated with managing the property while we conducted a sale process. In any sale of the property, we may not recover the full amount of the outstanding principal and interest under our Portfolio Loan.

Investment Decisions. Purchasers of Investor Units will not have any control or input over any decision regarding whether to advance a Portfolio Loan, the negotiation of the terms and conditions of any such Portfolio Loan, the involvement of other lenders or participants in any Portfolio Loan, the management of any Portfolio Loan, including any decision to accelerate any Portfolio Loan in an event of default or to foreclose on any security interest securing a Portfolio Loan, or to grant any waivers under any Portfolio Loan. The Manager will make all such decisions and all other management decisions on behalf of the Company.

Risks Associated with Property Development. A significant number of the Portfolio Loans will be used to acquire and develop primarily residential property. A borrower's ability to service and timely repay a Portfolio Loan will depend in part on the success of the development project. Development of real estate involves a number of risks, including:

- construction delays or cost overruns that may increase project costs;
- the borrower's inability, or unwillingness, to contribute additional equity as necessary;
- failure to obtain required governmental permits and authorizations;
- acts of God such as earthquakes, hurricanes, floods or fires that could adversely impact the project;
- defects in design or construction that may result in additional costs to remedy;
- unforeseen environmental issues that may result in liabilities and clean up costs;
- upkeep, maintenance and replacement of plumbing, ventilation, heating and other systems and components of a property, particularly any older systems and components that may not conform to contemporary standards or quality, which may be costly.

Any of these risks and any other events that result in unexpected expenses or delays may affect a borrower's ability to service a Portfolio Loan and could lead to default, which would negatively affect the Company and the proceeds available for distribution to holders of Investor Units.

Risk Associated with the COVID-19 Pandemic. The COVID-19 global pandemic and any future public health emergencies may negatively impact real estate markets in the geographic areas where the Company plans to operate, result in delays in originating and finalizing Portfolio Loans and result in restrictions on the construction projects financed by the Portfolio Loans. The COVID-19 pandemic has negatively impacted almost every industry directly or indirectly, including real estate markets and investments. The extent to which COVID-19 or other future public heath emergencies may impact the Company's business and investments will depend on future developments, which are highly uncertain and cannot be predicted.

Mandatory Additional Capital Contributions. If the Manager determines that additional capital is required to fund the Company, Members may be asked to make additional capital contributions to the Company up to 20% of their initial capital contributions. Under Section 5.1 of the Company's Operating Agreement, the Manager may request from time to time that Members make such additional capital contributions to the Company as may be necessary properly to carry on the business of the Company, in the Manager's sole judgment. Failure to make a required additional capital contribution may result in significant dilution of a Member's interest in the Company.

No Assurance of Profits, Cash Distribution, or Appreciation. There is no assurance that an investment in the Company will be profitable, or that any distribution will be made to the Members of the Company. The expenses of the Company may exceed income. Any return on investment to the Members will depend upon successful operation of the Company by the Manager, and the performance and management of the underlying Portfolio Loans, of which there can be no assurance.

Tax Risks. The federal, state and local income tax consequences of an investment in the Company may have a material impact on a Member. The Manager has not conducted a tax or legal analysis on behalf of investors. Investors should consult with their own tax and legal advisors.

Leverage and Interest Rates. The Company may borrow money in the future and may use such funds to finance Portfolio Loans. Such borrowing may subject the Company to interest rate fluctuations and would generally increase the Company's volatility and risk.

Role of the Manager. The Manager will have exclusive control over the Company's activities and investment decisions. The success of the Company will depend in part upon the skill and expertise of the Manager. The Manager and its affiliates may have conflicts of interest in allocating management and administrative time, services, and functions among various future entities, well as other business ventures in which they are or may become involved. The Manager and its affiliates will devote only so much of their time to the business of the Company as in their judgment is reasonably required. Kriss Capital LLC, the Company's Manager, is managed by Jody Kriss. Any loss of Jody Kriss' services for any reason could seriously harm the Company's business. If Jody Kriss is unable or unwilling to continue serving as the manager of Kriss Capital LLC, the members of Kriss Capital LLC will select a new manager for that entity, and the Company's Members will have no role in electing or any approval rights over any such new manager of Kriss Capital LLC.

Lack of Member Authority. Investors will have no voice or control in the day-to-day management or conduct of the affairs of the Company. The Manager will have the sole and absolute right and authority to act for and on behalf of the Company in connection with all aspects of the business of the Company. The investors will be bound by all agreements made by the Manager on behalf of the Company. Accordingly, no person should invest unless he or she is willing to entrust all aspects of the management of the Company to the Manager and has evaluated and is satisfied with the Manager's capabilities to perform such functions.

Limitations on the Liability of the Manager. The Manager and its affiliates will not be liable to any Member or the Company for (a) any action taken or failure to act with respect to the Company unless such action taken or failure to act is a willful violation of the provisions of the Operating Agreement and/or is in bad faith or willfully malfeasant, (b) any action or inaction arising from reliance upon the opinion or advice as to legal matters of legal counsel or as to accounting matters of accountants selected by any of them with reasonable care, or (c) the action or inaction of any agent, contractor or consultant selected by any of them.

Lack of Separate Representation. The Company and the Manager and their affiliates are not represented by separate counsel and it is not anticipated that they will be so represented.

Receipt of Compensation by Manager and Affiliates. The amount of compensation, commissions, interest or fees, to be paid to the Manager or its affiliates, or the terms and conditions of payment have not been determined by arms' length negotiations. Such transactions may therefore result in conflicts of interest.

Conflicts of Interest. The Manager and its affiliates may engage in other business ventures, real estate or otherwise, for their own account or for the account of others, including other limited liability companies or partnerships, and neither the Company nor any Member shall be entitled to any interest therein. The Manager and its affiliates may form other companies that may compete with the Company.

Indemnification. The Company has agreed to indemnify the Manager, and its employees, officers, directors, members, agents and affiliates (each, an "Indemnified Party") against any losses, liabilities, damages or expenses (including attorney fees and expenses in connection therewith and amounts paid in settlement thereof) to which an Indemnified Party may directly or indirectly become subject in connection with the Company or in connection with any involvement with any person or entity in which the Company has a direct or indirect investment, but only to the extent that such Indemnified Party (a) did not act in bad faith and (b) was not engaged in willful malfeasance. The Company may, in the sole judgment of the Manager, pay the expenses incurred by any such Indemnified Party in connection with any proceeding in advance of the final disposition, in accordance with the Operating Agreement.

Limited Transferability of Units. The Units have not been registered under the Securities Act, nor is any such registration contemplated. No public market for the Units will develop, and the sale or transfer of Units is subject to certain contractual restrictions contained in the Operating Agreement. Prior to any such sale or transfer, the Manager may require an opinion of counsel, which opinion shall be satisfactory to the Manager. Consequently, the Members may not be able to liquidate their investment in the event of emergency or for any other reason. Purchase of Units is suitable only for entities that have no need for liquidity with respect to their investment.

No Member may sell, assign, pledge, mortgage, or otherwise dispose of or transfer its Units in the Company or its interest in the Company's capital, assets or property without the prior written consent of the Manager (except for certain limited circumstances expressly permitted under the Operating Agreement), which consent shall not be unreasonably withheld or delayed.

Impact of Side Letters. The Company may from time to time enter into separate agreements ("Side Letters") with one or more Members which provide such Members with additional and/or different rights (including, without limitation, with respect to fees, distributions, management and approval rights and access to information) than Members have pursuant to the Operating Agreement. The Company and the Manager are not required to disclose the terms of such Side Letters or to offer such additional and/or different rights and/or terms to any or all of the other Members. The Company and the Manager may enter into such Side Letters with any party as the Manager may determine. The other Members will have no recourse against the Company, the Manager and/or any of their affiliates in the event that certain Members receive additional and/or different rights and/or terms as a result of such Side Letters.

Investor Suitability. The speculative nature of the Company, together with the lack of liquidity of the Units, among other things, makes the purchase of Units suitable only for investors who have adequate financial resources and who can afford the total loss of their investment. The suitability standards discussed below represent minimum suitability standards for prospective investors. The satisfaction of such standards by a prospective investor does only mean that the Units are a suitable investment for such prospective investor. Prospective investors are encouraged to consult their personal financial advisors to determine whether an investment in the Company is appropriate. The Manager may reject subscriptions, in whole or in part, at its absolute discretion. The Company will require each investor to represent in writing, among other things, that: (i) by reason of its business or financial experience, or that of its professional, advisor, it has the capacity to protect its own interests in connection with the proposed investment; and (ii) it is acquiring the Units for its own account, for investment only and not with a view toward the resale or distribution thereof, and that it is aware that the Units have not been registered under the Securities Act and their transfer is restricted by the Securities Act, applicable state securities laws, the Operating Agreement and the absence of a market for the Units. Each investor must represent that it is an Accredited Investor at the time of the sale of the Units to him. In order to meet the conditions for exemption from the registration requirements under the securities laws of certain jurisdictions, investors who are residents of such jurisdictions may be required to meet additional suitability requirements. The Company may disclose information about investors to comply with any banking or governmental requirements or applicable laws, including any "know your customer" regulations or similar requirements.

Dilution. Investors in this offering may experience future dilution in their ownership interest in the Company as a result of future equity financings. There is no limit on the number of Units the Company may issue.

Retention of Manager and Employees. The Company's success depends substantially upon the continued services of our Manager and other employees and service providers. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives. Such changes in our executive management team may be disruptive to our business.