



## Confidential Offering Memorandum

Senior Secured Promissory Notes

### **TB Fund 2, LLC**

*A Delaware Series Limited Liability Company*

c/o TradeBacked Inc.  
2980 NE 207<sup>th</sup> Street, Suite 300  
Aventura, FL 33180  
[ss@tradebacked.com](mailto:ss@tradebacked.com)

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**October 31, 2023**

**THIS CONFIDENTIAL OFFERING MEMORANDUM (“MEMORANDUM”) IS SUBMITTED TO YOU ON A CONFIDENTIAL BASIS SOLELY IN CONNECTION WITH YOUR CONSIDERATION OF AN INVESTMENT IN SENIOR SECURED PROMISSORY NOTES (THE “NOTES”) IN TB FUND 2, LLC, A DELAWARE SERIES LIMITED LIABILITY COMPANY (THE “COMPANY”). DUE TO THE CONFIDENTIAL NATURE OF THIS MEMORANDUM, ITS USE FOR ANY OTHER PURPOSE MIGHT INVOLVE SERIOUS LEGAL CONSEQUENCES. AS A RESULT, THIS MEMORANDUM MAY NOT BE DELIVERED TO ANY PERSON (OTHER THAN YOUR PROFESSIONAL ADVISORS) WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY.**

Memorandum # \_\_\_\_\_

## Notice:

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**NEITHER THE SECURITIES AND EXCHANGE COMMISSION (“SEC”) NOR ANY OTHER GOVERNMENTAL AUTHORITY HAS PASSED UPON THE MERITS OF PARTICIPATING IN THIS OFFERING OF THE NOTES NOR HAS THE SEC OR ANY SUCH OTHER AUTHORITY PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE OFFER AND SALE OF THE NOTES HEREBY HAS NOT BEEN REGISTERED WITH THE SEC OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND UNDER ANALOGOUS EXEMPTIONS IN EACH STATE; ACCORDINGLY, THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND MAY NOT BE OFFERED, TRANSFERRED, OR RESOLD EXCEPT WITH THE COMPANY’S PRIOR WRITTEN CONSENT. PROSPECTIVE NOTEHOLDERS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.**

IN MAKING AN INVESTMENT DECISION, PROSPECTIVE NOTEHOLDERS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY, THE NOTES, AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. EACH PROSPECTIVE NOTEHOLDER SHOULD CONSULT THEIR OWN ADVISERS CONCERNING LEGAL, TAX, AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE NOTES. AN INVESTMENT IN THE NOTES INVOLVES SIGNIFICANT RISKS. SEE “*RISK FACTORS*” BELOW.

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND ARE INTENDED OR SHOULD BE INFERRED WITH RESPECT TO THE ECONOMIC RETURN OR THE TAX CONSEQUENCES FROM AN INVESTMENT IN THE NOTES. PROSPECTIVE NOTEHOLDERS ARE NOT TO CONSTRUE THIS MEMORANDUM AS LEGAL OR TAX ADVICE.

PURCHASES OF NOTES ARE SUITABLE ONLY FOR PERSONS OF SUBSTANTIAL FINANCIAL MEANS WHO CAN MAKE A LONG-TERM INVESTMENT, CAN BEAR THE RISK OF LOSS IN THEIR ENTIRE INVESTMENT IN THE NOTES, AND HAVE NO NEED FOR IMMEDIATE LIQUIDITY IN THEIR INVESTMENT. ACCORDINGLY, NOTES WILL BE SOLD ONLY TO NOTEHOLDERS WHO MEET CERTAIN SUITABILITY REQUIREMENTS SO AS TO QUALIFY THEM AS “ACCREDITED” AS DEFINED IN REGULATION D ADOPTED UNDER THE SECURITIES ACT.

THIS MEMORANDUM IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE SENIOR SECURED PROMISSORY NOTE AND THE SUBSCRIPTION AGREEMENT ATTACHED HERETO. STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE DATE HEREOF UNLESS STATED OTHERWISE HEREIN, AND NEITHER THE DELIVERY OF THIS MEMORANDUM AT ANY TIME, NOR ANY SALE HEREUNDER, SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO SUCH DATE. THE COMPANY RESERVES THE RIGHT TO MODIFY ANY OF THE TERMS OF THE OFFERING AND THE NOTES DESCRIBED HEREIN PRIOR TO ANY PURCHASE.

A PROSPECTIVE NOTEHOLDER SHOULD NOT SUBSCRIBE FOR THE NOTES UNLESS SATISFIED THAT HE AND/OR HIS REPRESENTATIVES HAVE ASKED FOR AND RECEIVED ALL

INFORMATION WHICH WOULD ENABLE THEM TO EVALUATE THE MERITS AND RISKS OF THE NOTES. THE COMPANY WILL MAKE AVAILABLE TO EACH NOTEHOLDER AND THEIR REPRESENTATIVE(S) THE OPPORTUNITY TO OBTAIN ANY ADDITIONAL MATERIAL INFORMATION CONCERNING THE COMPANY AND ITS BUSINESS TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE, PROVIDED THAT IT IS NOT CONFIDENTIAL OR NON-DISCLOSABLE. INQUIRIES MAY BE DIRECTED TO: TB FUND 2, LLC, C/O TRADEBACKED INC., 2980 NE 207<sup>TH</sup> STREET, SUITE 300, AVENTURA, FL 33180 OR BY EMAIL TO [SS@TRADEBACKED.COM](mailto:SS@TRADEBACKED.COM).

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE NOTES IN ANY STATE OR OTHER JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH STATE OR JURISDICTION. PROSPECTIVE NOTEHOLDERS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE, AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING, OR DISPOSAL OF THE NOTES.

FOR FLORIDA INVESTORS:

IF SALES OF THE NOTES ARE CONSUMMATED WITH FIVE OR MORE PERSONS IN THE STATE OF FLORIDA, ANY SUCH PERSON MAY, AT SUCH PERSON'S OPTION, VOID ANY PURCHASE HEREUNDER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PERSON TO THE COMPANY, AN AGENT OF THE COMPANY, OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO THE PERSON, WHICHEVER OCCURS LATER.

### **Note Regarding Forward-Looking Statements**

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This Memorandum contains statements that constitute "forward-looking" statements that may involve future events, the Company's future performance, and expected future operations and actions. Such forward-looking statements may be identified by the use of words such as "may," "should," "anticipate," "believe," "expect," "plan," "future," "intend," "could," "estimate," "predict," "hope," "potential," "continue," or the negative of these terms or other similar expressions. These forward-looking statements are only the Company's views of possible future events, performance, operations, and actions and involve numerous assumptions, risks, and uncertainties. The Company's actual results or actions may differ materially from these forward-looking statements for many reasons, including the acumen of the Company's management, regional, national, and global economic and political trends and events, and changes in the laws and regulations under which the Company operates.

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## Executive Summary

TB Fund 2, LLC, a Delaware series limited liability company (the “Company”), has been formed to invest in trade finance transactions originated by TB Originations, LLC a Delaware limited liability company (“TB Originations”) and subsidiary of TradeBacked Inc., a Delaware corporation (“TradeBacked”). TradeBacked is owned by Aditya Trivedi (50%) and Sumit Saraf (50%). Throughout this Memorandum, the terms “Investors” and “Noteholders” shall be used interchangeably. The purpose of this offering is to offer one or more series of Senior Secured Promissory Notes of the Company to certain sophisticated investors.

With the creation of each new series of Notes, a supplement to this Memorandum will be added describing the material terms applicable to such series of Notes (each, a “Supplement”). This Memorandum must be read in conjunction with the applicable Supplement for the series of Notes a prospective investor is considering for purchase.

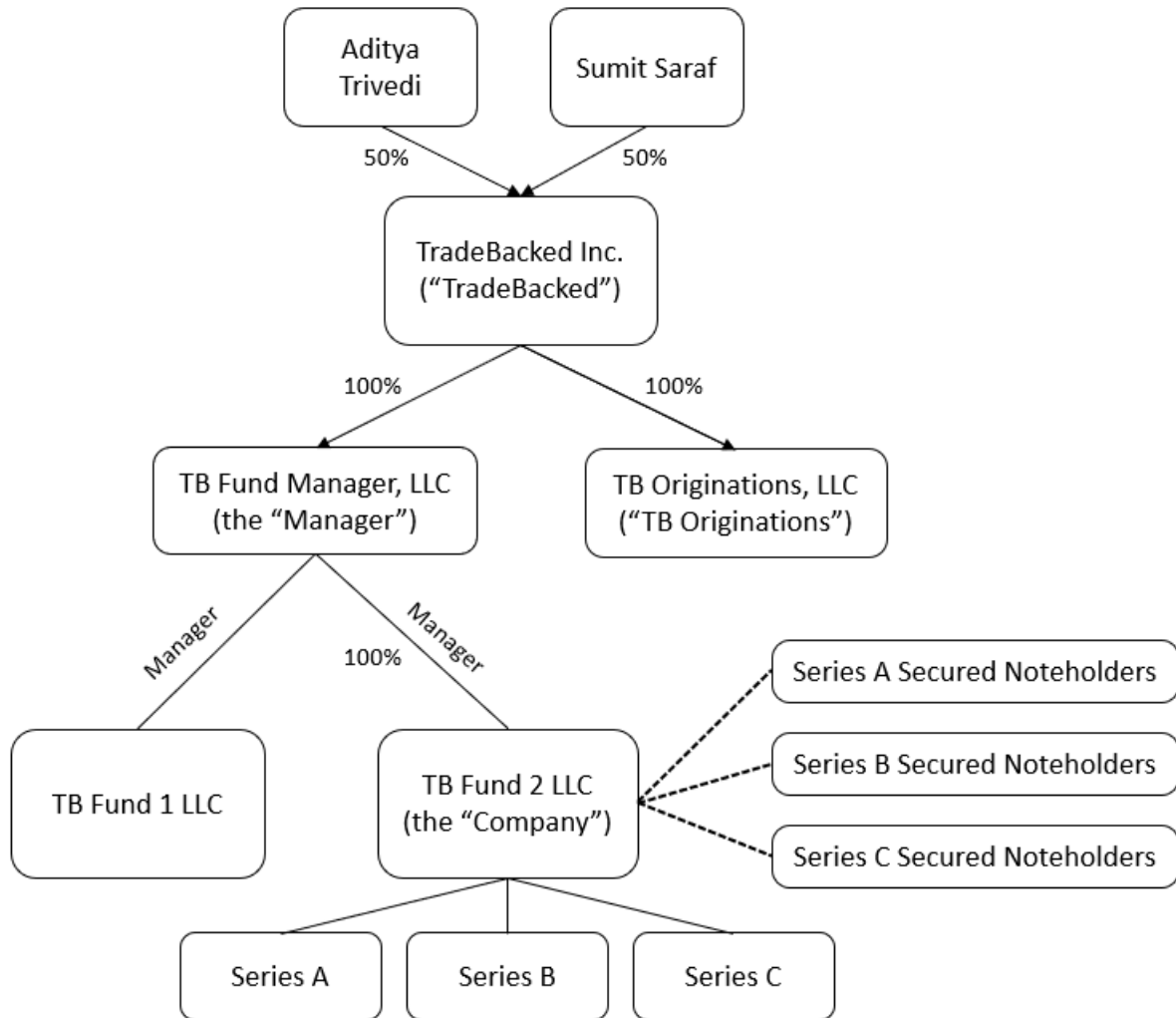
TradeBacked was organized on November 23, 2021 for the purpose of engaging in trade finance activities. The Company was formed on October 27, 2023 and is governed by its Operating Agreement dated effective as of October 27, 2023. TB Fund Manager, LLC, a Delaware limited liability company, is the sole owner and also acts as the sole manager of the Company (the “Manager”). The main office of the Company and TradeBacked is located at c/o TradeBacked Inc., 2980 NE 207<sup>th</sup> Street, Suite 300, Aventura, FL 33180.

### ***Management***

The Company, its Manager, TradeBacked, and TB Originations are each controlled by Aditya Trivedi and Sumit Saraf (collectively, the “Principals”). Pursuant to the governing documents of the Company and TradeBacked, the Principals directly or indirectly exercise all authority over the Company’s and TradeBacked’s day-to-day management and operations as well as those of their subsidiaries. See “*Management.*”

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## Organizational Chart



\*The above organizational chart is provided for illustrative purposes only and has been simplified for clarity. Each Series of TB Fund 2 LLC holds its own portfolio of assets.

## The Company's Business

The Company invests in short-term, off-balance sheet financings provided to small and medium-sized businesses such as manufacturers, traders, and dealers in order to facilitate the trade of goods. On the Company's behalf, TB Originations seeks to identify cashflow positive small and medium sized businesses (SMEs), preferably above \$50M in annual revenue, three (3) years' minimum operating history. The Company will generally engage in two types of financing options:

- Inventory buyback agreements. These types of agreements are used generally for items such as agricultural commodities, fertilizer and chemicals, metals and minerals, oil and gas, and textiles – i.e. commodities, raw materials or products generally not displayed to retail consumers. In such instances, we retain physical possession in our warehouses until needed.
- Sale and leaseback agreements. These types of agreements are used generally for items such as consumer electronics, fast-moving consumer goods, and luxury goods – i.e. products that are displayed to the retail consumer. The merchant has need of physical possession of the goods.

At the end of the agreement, the small or medium-sized business will “repurchase” the inventory at the same price sold. The Company generates revenue through a custodial fee, in the context of buyback agreements, and a monthly lease fee in the case of leaseback agreements, of between 1% and 1.5% based on its purchase price of the asset (see below for how purchase price is determined), for the duration of the term of the agreement. For its services, TB Originations will receive an origination fee from the Company of 0.5% annually of the total amount of capital provided in the applicable deal that it originates. In the case of inventory buyback agreements, TB Originations will also receive a warehouse storage fee from the customer. Proceeds raised in the offerings of the various series of senior secured promissory notes will be used to pursue the Company’s business and, in connection therewith, may be used as cash collateral and/or inventory collateral.

As part of its risk mitigation strategy, the Company intends to maintain a portfolio of assets diversified by client and the asset classes described above. The Company intends to maintain a portfolio consisting of no more than 25% from the same client, and no more than 25% of assets of the same asset class, all as determined by the purchase price of assets then owned by the Company, and as calculated by the number of deployments over the course of the year. Further and to the extent possible, the Company will seek to achieve these diversification targets within each individual series; accordingly, the Company may establish a minimum offering amount for one or more series of Notes in order to guarantee a certain level of diversification within such series is achieved. Nevertheless, the foregoing target amounts may be exceeded from time to time, particularly earlier in the offering, and higher concentrations may exist in the asset base. Additionally and as a further risk mitigation strategy, TB Originations has acquired insurance on behalf of the Company to cover the risk of default by its counterparties (see “*Insurance*,” below).

Each customer will be required to have and maintain an entity domesticated in the United States (which may be a U.S. subsidiary of a foreign parent company), through which it will receive financing from the Company. All trade finance transactions will be in U.S. dollars. The Company will initially only provide funding to clients with whom TradeBacked and/or TB Originations have a preexisting relationship. TB Originations plans to develop a technology platform through which it will onboard customers and manage the Company’s portfolio of assets.

Inventory Buyback Agreements. Pursuant to the inventory buyback agreement, the customer will sell the inventory as between 70% and 80% of its appraised value and will be required to repurchase the inventory at the same price between 3 and 12 months from the date of the contract unless extended.

The customer’s goods must be delivered to a warehouse in the custody of TB Originations’ approved third party vendors. The customer will only receive financing upon presentation of a pre-specified order from an off-taker. Once verified, the Company will provide the financing to the customer. The customer must pay their monthly custodial fees until the maturity date of the transaction and repurchase the inventory upon the maturity date. If the customer fails to pay the monthly fees, it must either make up those payments or repurchase the inventory, under a 30-day window, subject to extensions on a case-by-case. Failure to remedy missed payments, or repurchase inventory at maturity,<sup>1</sup> results in default. Upon default, the Company will dispose of the inventory by selling the inventory through an auction house and paying the proceeds of the auction to the Company. As part of the original transaction, the customer’s United States legal entity and its parent company (if any) will have executed a contingent obligation or promissory note obligating the signatories to pay the Company the amount of any shortfalls between the purchase price paid by the Company for the inventory and what the Company was able to sell the inventory through an auction.

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<sup>1,6</sup> Under either an inventory buyback agreement, or sale and leaseback agreement, a customer has the option to swap the original asset for an asset of equal or greater value, although this is rare as a matter of industry practice.

Sale and Leaseback Agreements. As discussed above, certain types of merchants (e.g., luxury goods, such as luxury cars, watches, and jewelry) need to retain possession of their assets in order to conduct their business operations but require financing until they can find true buyers. In those situations, the Company offers a sale and leaseback financing option, whereby the customer sells its asset between 70% and 80% of the appraisal price, transfer the title ownership of the asset to the Company, leases the asset from the Company, and repurchases the asset at the price it originally sold it for within 12 months from the date of commencement of the lease term. The customer must make monthly lease payments for the duration of the lease, and at the end of the lease, the customer must repurchase the asset. If the customer fails to make the monthly lease payments, it must either make up those payments or repurchase the inventory, under a 30-day window, subject to extensions on a case-by-case basis. Failure to remedy missed payments, or repurchase inventory at maturity,<sup>2</sup> results in default. Upon default, the Company will take control and dispose of the inventory by selling the inventory through an auction. as part of the original transaction, the customer's United States legal entity and its parent company (if any) will have executed a contingent obligation or promissory note obligating the signatories to pay the Company the amount of any shortfalls between the purchase price paid by the Company for the inventory and what the Company was able to sell the inventory for at auction.

Investment Objective & Investment Process. The Company's investment objective is to provide attractive returns to investors generated from trade finance agreements with small and medium sized merchant companies. The Company enters into collateralized, short-term trade finance transactions, which involve all facets of the trade cycle including the purchasing, transportation, and storing of the underlying products as well as the final sale of the product to the off-taker. The aim of this approach is to maintain control and ownership of the collateral throughout the trade to help reduce the risk of default by the borrowers.

The Company's investment process is summarized below.

*Origination.* On behalf of the Company, TB Originations will identify suitable investment opportunities and will conduct a preliminary screening of each potential customer's creditworthiness, collateral, revenue, business operations, operating history, management team, and risks.

*Evaluation.* If the investment opportunity passes a preliminary screening, and after a term sheet is signed, each potential customer will be charged variable administration and underwriting fees by TB Origination. Once paid, TB Originations will check for red flags of the customer and the relevant asset, conduct know-your-customer, operational, financial, and on-site due diligence, and perform a credit risk assessment. The inventory to be sold must be appraised by an approved third-party vendor of TB Originations, and the customer will be responsible for paying the cost of an appraisal of the inventory.

*Execution.* If the investment opportunity is approved, TB Originations will assign the transaction to the Company to complete. The customer must have and maintain an entity domiciled in the United States (which may be a U.S. subsidiary of a foreign parent company), through which it will receive financing from the Company. All trade finance transactions will be in U.S. dollars. The customer will be required to take insurance covering the inventory, with the Company as the primary beneficiary. At the same time the customer enters into a financing agreement with the Company and executes a promissory note (described above), the customer will assign inventory to be used in the proposed trade finance transaction to the United States entity (if not already owned by such entity). In the case of inventory buyback agreements, the inventory is stored in a warehouse controlled by a vendor approved by the Company or TB Originations.

*Revenue.* The Company will receive monthly custodial fees and/or monthly lease payments depending on the type of, and pursuant to, a trade finance agreement with each customer. TB Originations will receive an

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<sup>7</sup> <https://www.tcisinspect.com/>



origination fee from the Company of 0.5% annually of the total amount of capital provided in the applicable deal that it originates. In the case of inventory buyback agreements, TB Originations will also receive a warehouse storage fee from the customer.

*Exit.* The investment will liquidate when the customer repurchases the inventory or, in the case of default, the Company auctions the inventory.

*Leverage.* The Company will not utilize leverage in its business operations except to the extent of its equity capital contributions. The Company will not provide loans to its principals or sponsors of its affiliates.

Vendors. TradeBacked and its affiliates and subsidiaries have partnered with Technical Controls and Inspection Services (TCIS) International Evaluating Services, LLC,<sup>3</sup> a multinational independent inspection company, that is capable of providing valuation and appraisal, bonded warehousing (CMA), and shipping. The Company will ensure that warehousing services provided by TCIS and other vendors include insurance covering inventory stored in their warehouses. TradeBacked has also partnered with several other service providers, including: (i) Dun & Bradstreet Corporation for due diligence and underwriting; (ii) Corporate Screening & Investigations, Inc. for business diligence and know your customer (KYC); and (iii) Relm Insurance Ltd of Bermuda for insurance and underwriting. TradeBacked and/or the Company may replace and/or hire additional third-party vendors and service providers as its deal flow grows and, accordingly, the foregoing description of vendors is subject to change over time.

Insurance. The Company acquires broad “umbrella” type insurance to cover the entire business as well as policies specific to each particular trade finance transaction; this insurance covers not only casualty risks (covering the loss of inventory in a fire or flood, for example) but also default risk in the event the counterparty does not follow through on their inventory buyback and/or sale and leaseback agreement(s). With the Company named as the beneficiary of these insurance contracts, TradeBacked has sought to minimize the risk of loss to the Company under any potential circumstances. The Company will also ensure that inventory stored in warehouses will be covered by the insurance of their CMA vendor.

Although the Company actively seeks to acquire and maintain these insurance policies, there can be no guarantee that the Company will not experience an insured loss. For example, there may be a gap in coverage or a policy may expire prior to the Company experiencing a loss. Additionally, insurance contracts are highly detailed in providing for exclusions and the Company may in any instance believe that a risk is insured when in fact it is not. Claims made on insurance companies may be subject to substantial deductibles or policy limits, and claims may take many months or even years to settle, which may hurt the Company’s financial position in the interim.

Impact Investing. Impact investing is deploying capital with the objective of achieving a positive, material economic, social, and/or environmental impact while delivering competitive financial returns. Small and medium enterprises (SMEs) play a major role in most economies across the globe. According to the World Bank, they represent about 90% of businesses and more than 50% of employment worldwide. They also contribute to at least up to 40% of the GDP in countries with emerging economies.<sup>4</sup> However, access to finance is a key constraint for SMEs to grow their businesses in emerging markets and developing countries. SMEs are less likely to be able to obtain traditional financing, such as bank loans and letters of credit, than large enterprises. Instead, many of them rely on internal funds or cash from friends and family to launch and initially run their businesses. The trade finance gap, representing the difference between requests and

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<sup>4</sup> World Bank SME Finance.

approvals for financing to support exports and imports, was estimated to be \$1.7 trillion in 2020, an increase of 15% from 2018, and representing 10% of global trade.<sup>5</sup>

This is where TradeBacked and the Company are positioned to help deliver positive societal returns across the globe. By providing capital to the SMEs who need it most but may be chronically underserved due to their size or jurisdiction, the Company's performance and investors' returns will be driven in large part by making a positive impact with these SMEs and, indirectly, increasing employment opportunities with SMEs around the world. TradeBacked is operating at the intersection of financial opportunity and societal improvement, allowing investors to participate in the economic upside while making a real impact in the lives of various communities.

### ***The Offering***

The Company is offering (the "Offering") prospective investors the opportunity to invest in Senior Secured Promissory Notes (the "Notes"). The minimum principal amount of each series of Notes will be set forth on the applicable Supplement.

Interest on the Notes will generally accrue at a stated annual rate and may be paid quarterly or deferred and paid at maturity. The principal amount of each Note may be amortizing over the term of the Note or may be paid with any remaining accrued interest as a balloon payment on the maturity date of the Notes. Reference should be made to the applicable Supplement. The Company will issue Form 1099-INT annually to the Noteholders.

Each series of Notes will be secured by specified, segregated inventory of the Company and one or more of its subsidiaries, including but not limited to TB Originations, LLC, pursuant to a financing statement filed by the Company on the Noteholders' behalf. While the assets securing each series of Notes will be segregated in the internal books and records of the Company, there can be no guarantee that any court (including bankruptcy court) will honor such internal division of secured interests in the assets of the Company.

The Offerings is being may pursuant to Regulation D, Rule 506(c) and is, therefore, strictly limited to accredited investors. Subscriptions may not be rescinded except as provided by applicable law or with the consent of the Company.

### ***Plan of Distribution***

The Notes are being offered directly by the Company. No underwriters, brokers, dealers, or finders are currently engaged to offer all series of the Notes; instead, the Company may retain brokers, dealers, or finders to assist in the Offering of specific series of the Notes. See "*Subscriptions.*"

### ***Investor Qualifications***

Each prospective Noteholder must qualify as an "accredited investor" within the meaning of Regulation D adopted under the Securities Act ("Reg. D"), as well as meet certain other suitability standards, to subscribe for the Notes. The Company has discretion to modify investor qualifications in its sole discretion. The Company may decline to accept any subscription for any reason. See "*Subscriptions.*"

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<sup>5</sup> 2021 Asian Development Bank Trade Finance Gaps, Growth, and Jobs Survey

### ***No Shareholder Rights***

The Noteholders are not shareholders of the Company and, therefore, shall have no voting rights or equity interest in the Company. The only rights the Noteholders have are set forth in the Note each Noteholder receives from the Company and under the applicable Security Agreement each Investor must enter into, which applies to the Company, TB Originations, LLC, and each Investor in the applicable series of Notes.

### ***Use of Proceeds***

The Company will use the proceeds of the Notes to engage in trade finance transactions as described above as well as to pay the Company's organizational, offering, and ongoing expenses.

### ***Risk Factors***

An investment in the Notes is subject to various risks as described herein. Each prospective Noteholder should carefully read and consider these risks and discuss them with their legal and other professional representatives. See "*Risk Factors*."

### ***Transferability***

No market exists, and no market is anticipated to develop, for the Notes; an investment in the Notes is illiquid and Noteholders should not acquire the Notes with an intention of transferring or reselling the Notes. See "*Risk Factors*."

### ***Additional Information***

Please contact the Company at 2980 NE 207<sup>th</sup> Street, Suite 300, Aventura, FL 33180 or by email to [ss@tradebacked.com](mailto:ss@tradebacked.com) if you would like additional information about the Company, its officers, or the terms of this Offering. The Company will provide any requested information it can reasonably obtain without undue expense.

**This Confidential Offering Memorandum, together with all Exhibits attached hereto, the Subscription Agreement, and the executed Notes constitute the full and complete set of documents with respect to this Offering.**

**An investment in the Notes should be viewed as being of limited liquidity and involves a high degree of risk. There can be no assurance that the Company will be profitable or will avoid incurring substantial losses. A subscription to purchase the Notes should only be considered after carefully reading this Memorandum in its entirety.**

## Management

The Company and its day-to-day operations are managed by the Manager, TB Fund Manager, LLC, and its Principals, Aditya Trivedi and Sumit Saraf. The Principals are also the principals of TradeBacked and TB Originations.

The Company's success will depend on the skill and acumen of the Manager, its Principals, and its other officers. In the event an officer retires, dies, or becomes incompetent or disabled (i.e., unable by reason of disease, illness, or injury to perform their functions as an officer of the Company), the Company may be unable to manage its affairs.

Noteholders have no right to participate in the management of the Company, TradeBacked, or TB Originations and will not be given an opportunity to select or evaluate any of the Company's strategies. Accordingly, you should only invest in the Notes if you are willing to entrust all aspects of the management of the Company, TradeBacked, and TB Originations and their respective operations to the discretion of the Manager and its Principals. The biographies of the Principals are set forth below.

**Aditya Trivedi.** Aditya is also the Co-Founder, Managing Member, and CEO of TradeBacked. Mr. Trivedi is a seasoned professional with extensive experience of 15 years working in the international trade finance sector, fundraising industry, and accounting and finance domains. He has played a vital role in raising more than US \$600 million in trade finance and working capital for corporations and SMEs. Mr. Trivedi holds experience in business relationship management, corporate finance, budget management, business valuation, funds allocation, and analysis of financial models and ratios. Earlier, Mr. Trivedi was engaged with an accountancy firm, Blend Financial Services, as the Assistant Vice President, and Banker Group, London, as its Vice President of Group Finance and Operations. He can also be credited with the origination of advisory and placement mandates for structured finance, debt syndication, and project finance for more than USD \$1.8 billion.

**Sumit Saraf.** Sumit is also the Co-Founder, Managing Member, CTO, and Head of Capital Markets for TradeBacked. Mr. Saraf is a serial entrepreneur, venture capitalist, and an MBA graduate from Massachusetts Institute of Technology (MIT). He is currently a Partner at iHQ Capital and Sunways Renewable and served as the Vertical Head at Mumbai Angel Network, playing roles such as building a nexus of funding channel partners, due diligence of potential investments, negotiating deal closures, analyzing and determining the feasibility of financial models, determining potential exogenous risks, and structuring strategic and bilateral partnerships. He founded ventures such as JUSTAP Media, a digital OOH ad-tech venture, and CONJOIN Consultancy, which provides consulting services for leading global investment banks. There, he played a centric role engaged in business strategies, structuring, fundraising, product development, and revenue expansion streams. Mr. Saraf has worked on SPAC deals as advisor and ran investment banking and investor relationships for the sponsors.

## **Risk Factors**

An investment in the Notes involves significant risks not associated with other investments and is suitable only for persons of adequate financial means who have no need for liquidity in their investment in the Notes.

The Notes may be deemed a speculative investment and should only be considered as a supplement to an overall investment program. There can be no assurances or guarantees that: (i) the Company's business strategies and plans will prove successful or (ii) an investor will not experience a significant or complete loss of their investment in the Notes. Accordingly, the acquisition of Notes should only be made by persons who are able to assume such risks and only after consulting with independent, experienced professional advisors.

Therefore, though the following list is by no means exhaustive, prospective investors should consider the following major risks prior to acquiring the Notes:

### ***General Business Risks***

*Limited Operating History.* As of the date of this Memorandum, the Company has been recently formed and operational for less than a year. Accordingly, the Company does not have a substantial history upon which investors may base an investment decision and it may be difficult to effectively assess the Company's future prospects. As a result, you should consider carefully the Company's business plans and the prior business experience of the Company's management prior to investing in the Notes. No audited financial statements are being made available to prospective Noteholders in connection with this Offering.

*Substantial Discretion in Use of Proceeds.* The Company intends to use the net proceeds of this Offering to engage in its trade finance business, pay organizational, offering, and ongoing expenses, and for working capital and general corporate purposes. Accordingly, the Company has significant flexibility in applying the net proceeds of this Offering.

*Operating Losses and Profitability.* The Company expects its operating expenses to increase in the future as the Company expands operations. If Company revenue does not grow at a greater rate than Company expenses, the Company will not be able to achieve and maintain profitability. The Company may incur significant losses in the future for many reasons, including without limitation the other risks and uncertainties described in this Memorandum. Additionally, the Company may encounter unforeseen expenses, operating delays, or other unknown factors that may result in losses in future periods. If Company expenses exceed revenue, the Company's business may be seriously harmed and it may never achieve or maintain profitability.

*Future Capital Needs.* The Company's ongoing business may in the future be dependent on the continued availability of adequate capital. For example, at the maturity of one or more series of Notes, the Company's capital may be reduced and its business may be impacted. To the extent the Company raises additional funds in the future, there can be no assurance that additional financing will be available on terms favorable to the Company.

*General Economic Conditions.* The Company's operating performance is dependent upon economic conditions in those global markets in which the Company intends to operate. A general or localized economic downturn may cause customers to reduce their trade finance activities, which may in turn have a material adverse effect on the Company's financial condition.

*Dependence on Key Employees and Consultants.* The Company depends on qualified personnel who the Company may prove unable to retain or hire, to run and develop the Company's specialized business. Due to the specialized nature of the business, the Company is highly dependent upon its ability to attract and retain qualified personnel. The loss of the services of existing personnel, as well as the failure to recruit key

technical and managerial personnel in a timely manner would be detrimental to the Company's development and could have an adverse impact upon the Company's business affairs and finances. The Company's anticipated growth and expansion into areas and activities requiring additional expertise, such as sales and marketing, may require the addition of new management personnel at competitive salaries. Competition for qualified personnel is intense and there can be no assurance that the Company will be able to continue to attract and retain qualified personnel necessary for the development of the Company's business strategies or that the cost of doing so will be reasonable.

*Third-Party Agreements.* The Company has negotiated and executed contracts with various third parties that are material to the Company and its operations. The Company's failure to identify appropriate partners or execute and abide by the terms of these agreements and other agreements in the future may have a material adverse effect on the Company and its prospects.

*No Management Authority.* Noteholders have no voting rights or other rights or power to participate in the management of the Company and will not be given the opportunity to select or evaluate any of the Company's business strategies. Accordingly, prospective Noteholders should only invest in the Notes if they are willing to entrust all aspects of the management of the Company to the discretion of the Company's Principals and officers. The Company's success will depend on the skill and acumen of the Company's Principals and officers and in the event one or more Principals or officers retires, dies, becomes incompetent or disabled (i.e., unable by reason of disease, illness, or injury to perform their function as an officer of the Company), the Company may be unable to manage its affairs or continue its operations.

### ***Trade Finance Risks***

The Company invests in trade finance transactions with companies that may have exposure to global emerging markets. Investments in emerging markets involves risks and special considerations that may not be typically associated with investing in more developed markets and are likely to include but not be restricted to the following:

*Transportation & Warehousing Risk.* In the case of inventory buyback agreements, the Company will provide financing backed by commodities or other assets in transit or held in warehouses. While the inventory is expected to be stored in a warehouse controlled by a vendor approved by the Company or its affiliates, who we will require to provide warehouse insurance, and the inventory will be covered by insurance, negligence and fraud are always significant risks in transactions involving the financing of such assets. Further, these warehouses which may be located in countries that are more susceptible to political instability, social unrest, labor disputes, and economic risks. The Company may use methods to minimize such risks but no assurance can be given that such efforts will be successful.

*Political and Economic Factors.* Political and economic change and instability may be more likely to occur in countries with emerging markets. Changes to laws, regulations, and policies of the relevant country, including any trade restrictions or restrictions on foreign investment, currency convertibility, infectious disease outbreaks, acts of terrorism, and regional and global conflicts could impact the ability of the customer to make payments or repurchase the inventory.

*Legal Considerations.* Inventory may be either stored in warehouses overseas or in possession of the lessee residing in countries outside of the United States. The legal framework of certain countries may not provide the collateral protections as the United States and could rapidly evolve, and it is not possible to accurately predict at the current time the adequacy of the rights afforded to and the protections for creditors or remote owners under the law of various foreign jurisdictions. Existing legal frameworks may be unfairly or unevenly enforced, and courts may decline to enforce legal protections covering the inventory altogether. The cost and

difficulties of litigation in these countries may make enforcement of our rights impractical or impossible. Adverse regulation or legislation may be introduced at any time without prior warning or consultation. Further, disclosure, accounting, and financial standards in other countries may vary widely to that of the United States. Although the Company will use its best efforts to verify information supplied to it during its due diligence process, our investments may still be adversely affected by such risks.

### ***Risks of the Notes***

*Cross-Series Default.* Although each series of Notes will be secured by a distinct portfolio of assets segregated on the books and records of the Company, there is no guarantee that, in the event of a default by or bankruptcy of the Company, a court will honor such segregation of the Company's assets into the various series. Accordingly, a default by the Company to pay one series of Notes could imperil the "healthy" collateral of the other series to the extent the assets securing the series of Notes in default is insufficient to repay the Noteholders of such series in default.

*Future Debt.* Except as explicitly stated therein, the Notes and the Company's as well as each Series' governing documents do not place any limitation on the amount of debt that the Company may incur. The Company's incurrence of additional debt may have important consequences for the Noteholders as the holders of the Notes, including making it more difficult for the Company to satisfy its obligations with respect to the Notes.

*Secured Obligations.* Each series of the Notes will be secured by a distinctive portfolio of the inventory of the Company and its subsidiaries. Such security will be perfected not later than ten (10) days after the final closing of this Offering of the Notes by the filing by the Company, at the Company's sole expense, of a UCC-1 financing statement.

*Illiquid Notes.* The Notes cannot be assigned, transferred, or otherwise encumbered except on limited terms and conditions. Accordingly, investors should only acquire the Notes with an expectation of holding the Notes through the Maturity Date. There currently is no public market for the Notes and none is currently expected to develop. Further, the Company is under no obligation to develop a market for the Notes at any time in the future. All transfers are subject to approval at the Manager's sole discretion.

### ***Other Risks***

*Lack of Independent Counsel; No Independent Verification.* Noteholders should note that the Company is represented by Dwyer Law Offices, LLC ("DLO") with regard to this Offering and may use additional legal counsel in the future. In drafting this Memorandum, DLO has relied upon the representations of the Company's officers and has not independently verified any claim or representation set forth in this Memorandum. No separate counsel has been retained by the Company to act on behalf of the Noteholders. It is recommended that prospective Noteholders obtain, at their own cost, separate legal counsel to review the terms of the Offering.

*Regulation.* While the Company seeks to develop and expand its business as discussed herein, the Company may be precluded from acting in various activities by applicable law or without registering in various capacities beforehand. The Company cannot provide any assurance that it will not have to expend considerable time and resources to so register if the Company determines registration is required to enable the Company to pursue its business plans as discussed in this Memorandum. Additionally, state and federal laws are constantly changing, and often increasing the level of regulation on market participants. Therefore, the Company cannot accurately predict what impact any changes in such laws may have on the Company's operations or results.

*Operating Deficits.* Although the Company does not anticipate material expenses, nevertheless the expenses of the Company may exceed the Company's income, thereby requiring that the difference be paid out of the Company's capital, reducing the Company's ability to pursue its business. To the extent that operating deficits become unmanageable, the Company could be forced to raise additional capital or declare bankruptcy.

### ***Conflicts of Interest***

*General.* The officers are accountable to the Company as fiduciaries and, consequently, must exercise good faith and integrity in handling the business of the Company. Nevertheless, in the conduct of such business, conflicts may arise between the interests of the officers and those of the Noteholders, and potential Noteholders should be aware of these conflicts of interest before investing in the Notes.

*No Obligation of Full-Time Service.* No officer has any obligation to devote their full time to the business of the Company. Instead, each officer is only required to devote such time and attention to the affairs of the Company as they decide, in their sole discretion, is appropriate and they may engage in other activities or ventures, including ventures competitive with the Company or unrelated employment, which result in various conflicts of interest between such persons and the Company.

*Lack of Separate Representation.* Neither the governing documents nor any of the agreements, contracts, or arrangements between the Company, on the one hand, and the officers, on the other hand, were or will be the result of arm's-length negotiations. The attorneys, accountants, and others who have performed services for the Company in connection with the Offering, and who will perform services for the Company in the future, have been and will be selected by the Company. No independent counsel has been retained to represent the interests of the Noteholders, and the Senior Secured Promissory Note and governing documents have not been reviewed by any attorney on their behalf. **Prospective Noteholders are therefore urged to consult their own counsel as to the terms and provisions of the Senior Secured Promissory Note, governing documents, and all other related documents.**

THE FOREGOING LIST OF RISK FACTORS AND OTHER CONSIDERATIONS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS AND OTHER FACTORS INVOLVED IN THIS OFFERING AND THE NOTES. PROSPECTIVE NOTEHOLDERS SHOULD READ THIS MEMORANDUM IN ITS ENTIRETY BEFORE DECIDING TO INVEST IN THE COMPANY.



## **Privacy Policy**

This privacy policy explains the manner in which the Company collects, utilizes, and maintains nonpublic personal information about the Company's Noteholders, as required under Federal legislation. This privacy policy only applies to nonpublic information concerning Noteholders who are individuals, not entities.

### ***Collection of Noteholder Information***

The Company collects personal information about Noteholders mainly through subscription documents, questionnaires, other written documents provided by Noteholders, personal meetings, telephone calls, electronically, and through transactions within the Company. This information may include names, addresses, nationalities, tax identification numbers, financial and investment qualifications, account balances, investments, and withdrawal information.

### ***Disclosure of Nonpublic Personal Information***

The Company does not sell or rent Noteholder information. The Company does not disclose nonpublic personal information about its Noteholders to nonaffiliated third parties or to affiliated entities, except as permitted by law. For example, the Company may share nonpublic personal information in the following situations:

- To service providers in connection with the administration of the Company, which may include attorneys, accountants, auditors, and other professionals. The Company may also share information in connection with the servicing or processing of Company transactions;
- To respond to a subpoena or court order, judicial process or regulatory authorities;
- To protect against fraud, unauthorized transactions (such as money laundering), claims or other liabilities; and
- Upon consent of a Noteholder to release such information, including authorization to disclose such information to persons acting in a fiduciary or representative capacity on behalf of the Noteholder.

### ***Protection of Investor Information***

The Company's policy is to require that all employees and companies providing services on its behalf keep Noteholder information confidential. Additionally, the Company maintains safeguards that comply with Federal standards to protect Noteholder information. The Company restricts access to the personal and account information of Noteholders to those employees who need to know that information in the course of their job responsibilities. Third parties with whom the Company shares Noteholder information must agree to follow appropriate standards of security and confidentiality. The Company's privacy policy applies to both current and former Noteholders.

### ***Changes to Privacy Policy***

The Company may make changes to its privacy policy after sending Noteholders a revised privacy policy describing the change.

## Subscriptions

This Offering is made as a private placement under Section 4(a)(2) of the Securities Act and in reliance on the safe harbor provided by Reg. D thereunder.

### *Offering of Notes*

The Company is offering Notes at the minimum original principal amount of \$50,000 per Note, provided that the minimum may be reduced in the sole discretion of the Company. The maximum aggregate amount of subscriptions the Company may accept in the aggregate across all Series of the Notes is \$50,000,000. Once submitted, subscriptions may not be revoked except in the Company's sole discretion or as provided by applicable law. The Company may decline to accept any subscription for any reason.

### *Expenses of the Offering*

Proceeds from the Offering may be used to pay, or reimburse the Manager or officers for, all direct costs of this Offering, including legal, printing, and other costs.

### *Financial Suitability and Nature of Investors*

The Notes are being offered to corporate entities, trusts, high net worth individuals, and partnerships, subject to the suitability standards contained in the Subscription Agreement and as summarized in this Memorandum. The Notes are designed for sophisticated Noteholders who can accept the risks associated with the Notes. Each prospective Noteholder must familiarize themselves with the risks involved in the purchase of Notes and must evaluate whether the Notes are suitable in light of its business and investment objectives, financial situation, and liquidity needs.

The Company will not accept any investment unless the prospective Noteholder has represented in writing that:

1. The prospective Noteholder is acquiring the Notes for the prospective Noteholder's own account and such acquisition is not with a view to resale or distribution;
2. The prospective Noteholder can bear the economic risk of losing the prospective Noteholder's entire investment in the Notes;
3. The prospective Noteholder has no need for liquidity in the Notes;
4. In order to comply with United States and international laws aimed at the prevention of money laundering and terrorist financing, the prospective Noteholder is not a "Prohibited Person" or a person controlling, controlled by, or under common control with a "Prohibited Person;" and
5. The prospective Noteholder qualifies as an "Accredited Investor" under Reg. D within one or more of the categories provided in the Subscription Agreement.

The Company reserves the right to request such further information as it considers necessary to verify the identity of a prospective Noteholder or any of the above provided information.

**Special Note for Trusts and Partnerships:** The application of the "Accredited Investor" category to trusts (including Massachusetts or similar business trusts), partnerships and self-employed individual retirement plans is subject to complex regulatory interpretations and may differ under state and federal law. Accordingly, such an entity attempting to qualify may be required to deliver additional information, including a satisfactory opinion of its counsel.

**The suitability standards contained in the Subscription Agreement represent minimum suitability requirements for prospective purchasers, and their satisfaction does not necessarily mean that the Notes are a suitable investment for any person.** The Company reserves the right, in its sole discretion, to reject any prospective Noteholder's subscription and to require prospective Noteholders to furnish additional financial statements or other information prior to admission as a Noteholder.

***Restrictions on the Transferability of Notes***

There are serious restrictions on the transferability of the Notes by Noteholders. Further, no market is anticipated to exist for the Notes, and the sale or transfer of Notes may result in substantial adverse tax consequences to the seller and, in certain cases, to all Noteholders. The offer and sale of the Notes have not been registered under the Securities Act or the securities laws of any state in reliance on exemptions to the registration requirements of those laws. Consequently, no resale or transfer will be permitted except in accordance with the Securities Act and its associated rules and regulations, any applicable state securities laws, and the terms and conditions of the Notes. The Company's records will be noted appropriately to refer to such restrictions on transferability to aid in the prevention of transfers by Noteholders without compliance with such restrictions.

**SUPPLEMENT NO. 1**

**SERIES A 12.50% SECURED NOTES**

Name	Series A 12.50% Secured Notes
Issuer	TB Fund 2, LLC – Series A
Maximum Offering Amount	\$10,000,000, subject to increase at the Manager’s sole discretion
Minimum Offering Amount	\$250,000 <sup>6</sup>
Minimum Investment	50,000 (subject to waiver at Manager discretion)
Manager Commitment	The Manager has committed to contribute equity of not less than \$5,000,000 of the Series A offering amount. This equity will assume a “first loss position” relative to the Series A Notes.
Final Closing Date	October 31, 2024 <sup>7</sup>
Maturity	3 years from issuance
Payment Period	Interest accrued and paid quarterly; principal and any remaining accrued interest paid at maturity
Acceleration (Optional)	Repayment may be accelerated after 1 <sup>st</sup> anniversary of the Note, subject to a penalty equal to 5% of principal
Prepayment	Yes, provided a minimum of 4 quarters’ interest is paid
Placement Agent	CommonGood Securities LLC ( <a href="http://www.commongood.com">www.commongood.com</a> )
Placement Fee	2% of the aggregate offering amount (one-time)
Insurance	Mandatory default insurance required on Company’s business transactions
Investment Committee	An investment committee has been appointed by the Manager specific to Series A. The Investment Committee members are Jeff Shafer, Stephen Hester, Sumit Saraf, Aditya Trivedi, and a person to be named; the Manager may add, remove, or replace Investment Committee members at its sole discretion. The recommendations of the Investment Committee are non-binding on the Manager.

**Form of Series A 12.50% Senior Secured Promissory Note ..... Exhibit A**

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<sup>6</sup> Subscription proceeds will be held in an escrow account with an escrow agent until such time as the minimum offering amount is achieved; if the minimum offering amount is not achieved, the Company will refund subscription amounts from the escrow account without deduction or interest thereon.

<sup>7</sup> The Manager may extend the final closing date of the offering to not later than April 30, 2025 in its sole discretion.

<b>Subscription Agreement.....</b>	<b>Exhibit B</b>
<b>Series A 12.50% Senior Secured Promissory Notes Security Agreement .....</b>	<b>Exhibit C</b>
<b>Investment Committee Resumes .....</b>	<b>Exhibit D</b>
<b>Investor Deck.....</b>	<b>Exhibit E</b>

**Exhibit A**

**FORM OF SERIES A 12.50% SENIOR SECURED PROMISSORY NOTE  
TB FUND 2, LLC – SERIES A**

[ see attached ]

THIS NOTE IS NOT SUBJECT TO REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE, THIS NOTE MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS OR UNLESS AN EXEMPTION IS AVAILABLE THEREFROM.

## TB Fund 2, LLC – Series A

### SERIES A 12.50% SENIOR SECURED PROMISSORY NOTE

\$ \_\_\_\_\_, 2023

FOR VALUE RECEIVED, **Series A of TB Fund 2, LLC**, a Delaware series limited liability company (the “Company”), hereby promises to pay to the order of \_\_\_\_\_ (the “Holder”), at \_\_\_\_\_, the principal amount of \_\_\_\_\_ Thousand Dollars (\$ \_\_\_\_\_) in lawful money of the United States of America, and to pay interest and principal in like money on the terms set forth in Section 1 hereof. By acceptance of this Series A 12.50% Senior Secured Promissory Note (this “Note”), Holder agrees that it will abide by and be bound by its terms.

**1. Payments of Interest and Principal. Payments of principal plus interest on the unpaid principal balance of this Note outstanding from time to time shall be payable in accordance with the following:**

(a) Interest. During the period commencing on the date hereof and terminating on the Maturity Date (defined as the 3rd anniversary of the date hereof), interest on the unpaid principal balance of this Note outstanding at any time shall accrue at a rate equal to twelve and one half percent (12.50%) per annum (based on a 360 day year) and shall be accrued and paid quarterly within thirty (30) days of each quarter-end.

(b) Principal. Payment of the principal shall be due and payable on the Maturity Date.

(c) Security. The Note has full security in the Series A assets of the Company, first in priority to any other indebtedness applicable to the Series A assets of the Company, including any bank or other asset-backed borrowing(s) if any.

(d) Payments. All payments of principal, interest, fees, and other amounts due hereunder shall be made by the Company in lawful money of the United States of America, by electronic transfer or by any other method approved in advance by Holder to the account of Holder at the address of Holder set forth in Section 4 hereof or at such other place designated by Holder in writing to the Company in immediately available and freely transferable funds at such place of payment.

(e) Acceleration. Holder shall have the option to call in this Note and accelerate payment of accrued interest and principal on or after the first anniversary of this Note with thirty (30) days’ prior notice to the Company, provided that a penalty shall apply to any such acceleration equal to five percent (5%) of the principal amount of this Note.

(f) Prepayments. The Company shall have the right to prepay the unpaid principal balance of this Note and accrued interest thereon in whole or part at all times prior to the Maturity Date. In the

event the note is paid in full before the Maturity Date, a minimum of four quarters of interest will be required to have been paid between inception of the Note and being paid in full.

(g) Information Rights. The Holder of the Note will receive annual reports for the duration of the Note that provide information as to GAAP. Annual reports will be provided 30 business days after the end of each calendar year.

2. Agreements.

(a) Unconditional Obligations. The Company's obligations under this Note shall be the absolute and unconditional duty and obligation of the Company and shall be independent of any rights of set-off, recoupment or counterclaim that the Company might otherwise have against the Holder of this Note. The Company shall pay absolutely the payments of principal, interests, fees and expenses required hereunder, free of any deductions and without abatement, diminution or set-off. The Company agrees to pay Holder and reimburse Holder for any and all costs and expenses, including attorney's fees and court costs, if any, incurred by Holder in connection with the enforcement or collection hereof, both before and after the commencement of any action to enforce or collect this Note, but whether or not any such action is commenced by Holder.

3. Governing Law. **This Note shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the conflicts of law principles thereof.**

4. Notices. **Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be given by facsimile or other means of electronic communication or by delivery as hereafter provided. Any such notice or other communication, if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the business day following the sending, or, if delivered by hand or via overnight courier, shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address shall also be governed by this section. Notices and other communications shall be addressed as follows:**

(i) If to the Company, to:  
TB Fund 2, LLC  
2980 NE 207<sup>th</sup> Street, Suite 300  
Aventura, FL 33180  
Attention: Sumit Saraf, President

(ii) If to Holder, to:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or to such other address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

5. Events of Default. Each of the following shall constitute an event of default (an "Event of Default") hereunder: (i) failure to pay all principal and accrued interest that is due on a specified date within forty five (45) business days after such date; (ii) an assignment for the benefit of creditors by the Company;



(iii) liquidation, termination of existence or dissolution of the Company; (iv) the application by the Company for the appointment of a receiver or liquidator for the Company or for property of the Company or the voluntary filing by the Company of a petition in bankruptcy; (vi) the filing of a petition in bankruptcy against the Company if not dismissed or stayed within sixty (60) days. Upon the occurrence of any of the foregoing Events of Default, this Note shall (unless such Event of Default is earlier resolved by the Company to the reasonable satisfaction of the Holder), upon the giving of written notice by the Holder to the Company and expiration of 30 days from the date of receipt by the Company of such notice in regard to any Event of Default which is capable of being cured, be considered to be in default and the entire principal balance, together with accrued and unpaid interest, shall, at the direction in writing of the Holder, become immediately due and payable in full. Provided, however, that the Holder agrees to forbear from demanding such acceleration and repayment in full in priority to any amounts outstanding to any more senior secured creditor(s) of the Company. Upon the occurrence of an Event of Default which remains uncured as set forth herein and the placement of this Note in the hands of an attorney for collection, the Company agrees to pay reasonable collection costs and expenses, including reasonable attorneys' fees. Upon full payment hereunder this Note shall promptly be surrendered to or as directed by the Company. **This Note is not secured by any other Series of TB Fund 2, LLC other than Series A and, in an Event of Default, the Holder may not look to the assets of any other Series to satisfy the obligations set forth in this Note.**

6. Usury Laws. This Note is intended to be performed in accordance with, and only to the extent permitted by, all applicable usury laws. If any provision hereof or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the application of such provision to any other person or circumstance nor the remainder of the instrument in which such provision is contained shall be affected thereby and shall be enforced to the greatest extent permitted by law. It is expressly stipulated and agreed to be the intent of Holder hereof to at all times comply with the usury and other applicable laws now or hereafter governing the interest payable on the indebtedness evidenced by this Note. If the applicable law is ever revised, repealed or judicially interpreted so as to render usurious any amount called for under this Note, or contracted for, charged, taken, reserved or received with respect to the indebtedness evidenced by this Note, or if any prepayment by the Company results in the Company having paid any interest in excess of that permitted by law, then it is the express intent of the Company and Holder that all excess amounts theretofore collected by Holder be credited on the principal balance of the Note (or, if the Note has been paid in full, refunded to the Company), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectable hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the then applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder. All sums paid, or agreed to be paid, by the Company for the use, forbearance, detention, taking, charging, receiving or reserving of the indebtedness of the Company to Holder under this Note shall, to the maximum extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the usury ceiling from time to time in effect and applicable to such indebtedness for so long as such indebtedness is outstanding.

7. Headings. The headings of the sections of this Note are inserted for convenience only and do not constitute a part of this Note.

8. Successors. This Senior Secured Promissory Note shall be a binding obligation of any successor of the Company.

**[SIGNATURE PAGE FOLLOWS.]**

IN WITNESS WHEREOF, the Company has caused this Note to be signed and to be dated the day and year first above written.

**TB FUND 2, LLC – SERIES A**, a Delaware series limited liability company

By: TB Fund Manager, LLC, a Delaware limited liability company,  
its Manager

By: \_\_\_\_\_  
Sumit Saraf, President

Accepted:

**HOLDER:**

By: \_\_\_\_\_  
Print Name:

# Exhibit B

## Subscription Agreement

### TB Fund 2, LLC – Series A

2980 NE 207<sup>th</sup> Street, Suite 300  
Aventura, FL 33180  
[ss@tradebacked.com](mailto:ss@tradebacked.com)

#### SUBSCRIPTION AGREEMENT SERIES A 12.50% SENIOR SECURED PROMISSORY NOTES

Subject to the terms and conditions of this Subscription Agreement (“Agreement”), the undersigned (the “Investor”) hereby subscribes for and agrees to purchase a Series A 12.50% Senior Secured Promissory Note (the “Note”) issued by Series A of TB Fund 2, LLC, a Delaware series limited liability company (the “Company”), at minimum a purchase price of \$50,000, subject to reduction at the discretion of management (the “Purchase Price”). The offer and sale of the Note to the Investor has not been registered under the Securities Act of 1933, as amended (the “Securities Act”) or any similar state or foreign law (collectively, the “Acts”), but rather is being made privately by the Company pursuant to the private placement exemption from registration provided in Section 4(a)(2) of the Securities Act and Regulation D (“Regulation D”) promulgated thereunder by the Securities and Exchange Commission (the “SEC”) on the basis of the Company’s Confidential Offering Memorandum dated October 10, 2023 (the “Memorandum”), its Supplement No. 1 and its Exhibits, and pursuant to similar state exemptions from registration under the Acts.

The information requested in this Agreement is needed in order to ensure compliance with the foregoing regulations and to determine whether the Investor meets certain minimum net worth tests to be deemed an “accredited investor” as defined in Regulation D.

Upon submission of this Agreement by the Investor and its acceptance by the Company, the Investor will be obligated to deliver to the Company upon notice after the closing of the offering the Investor’s payment via check or wire in the amount of the Purchase Price (the “Subscription Payment”).

The Investor understands and agrees that, although the Company will use its best efforts to keep the information provided in the answers to this Agreement confidential, the Company may present this Agreement and the information provided in answers to it to such parties as it deems advisable if called upon to establish the availability under any applicable law of an exemption from registration of the Note or if the contents thereof are relevant to any issue in any action, suit, or proceeding to which the Company is a party or by which the Company is or may be bound. Please carefully review the Company’s Privacy Policy as set forth in the Memorandum.

The undersigned Investor and the Company hereby agree as follows:

#### **I. INTRODUCTION**

- (A) The Investor can bear the loss of the Investor’s entire investment in the Note.
- (B) The Investor has received a copy of the Memorandum and the Note and agrees to, and understands, the terms and conditions upon which the Note are being offered, including the risk factors referred to in the Memorandum.
- (C) The Investor understands that the Note places strict limitations on the Investor’s ability to withdraw, redeem, resell, or transfer the Note and represents that the Investor will abide by such restrictions. The Investor is acquiring the

Note for investment, for its own account, and not for the interest of any other person and not for distribution or resale to others.

- (D) The 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 ("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<sup>8</sup>, unless the Company, after being specifically notified by the 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<sup>9</sup> (such persons or entities in (i) – (iv) are collectively referred to as "Prohibited Persons").
- (E) The Investor understands and agrees that the Company may reject this subscription for the Note for any reason or no reason, in whole or in part, and at any time prior to acceptance thereof. In the event of rejection of this subscription, this Agreement shall have no force or effect.
- (F) The Investor agrees to indemnify and hold harmless the Company and its Manager, officers and members from and against any and all losses, liabilities, damages, penalties, costs, fees, and expenses (including legal fees and disbursements) that may result, directly or indirectly, from any inaccuracy in or breach of any representation, warranty, covenant, or agreement set forth in this Agreement or in any other document executed by the Investor.

## II. ELECTRONIC DELIVERY OF REPORTS AND OTHER COMMUNICATIONS

The Company may provide statements, reports, and other communications relating to the Company or the Note in electronic form, such as e-mail. E-mail messages are not secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, deleted, or interfered with without the knowledge of the sender or the intended recipient. The Company makes no warranties in relation to these matters. If you have any doubts about the authenticity of an email purportedly sent by the Company, contact the purported sender immediately.

Do you consent to the sending of such statements, reports, and other communications regarding the Company and the Note in lieu of or in addition to separate mailing of paper copies?

Please send me electronic notices                      Yes \_\_\_\_\_                      No \_\_\_\_\_

Please send me hard copies                              Yes \_\_\_\_\_                              No \_\_\_\_\_

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<sup>8</sup> 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.

<sup>9</sup> 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.

**III. ELIGIBILITY REPRESENTATIONS OF THE INVESTOR**

(A) General: *(initial one and complete blanks)*

            
*(Initial)* (1) If the Investor is an employee benefit plan, an endowment, a foundation, a corporation, partnership, trust, or other legal entity, it (i) is duly organized, validly existing, and in good standing under the laws of the jurisdiction of organization, (ii) was not formed for the purpose of investing the Note, (iii) its investment in the Note constitutes less than 40% of its net assets, and (iv) it has carried out thorough due diligence to establish the identities of its beneficial owners and reasonably believes that no beneficial owner is a “Prohibited Person” (defined above):

- the Investor is organized under the laws of: \_\_\_\_\_
- the Investor has its principal place of business in: \_\_\_\_\_

OR

            
*(Initial)* (2) If the Investor is an individual or beneficial ownership of the Investor is held by an individual (for example, an Individual Retirement Account or Keogh Plan), such individual is over 17 years of age and is:

- a resident of: \_\_\_\_\_
- a citizen of (if different from residence): \_\_\_\_\_

Please provide the following information regarding the Investor (if an individual) or the person making the investment decision on behalf of the Investor (if an entity):

Name: \_\_\_\_\_

Home telephone: \_\_\_\_\_

Home address: \_\_\_\_\_

Business address: \_\_\_\_\_

Describe the person’s occupation and any other business connections reflecting knowledge and experience of financial matters (service on boards of directors, professional licenses, etc.):

\_\_\_\_\_  
\_\_\_\_\_

(B) Accredited Investor Status:

**Initial all appropriate spaces on the following pages indicating the basis upon which the Investor qualifies as an accredited investor.**

***For Individual Investors Only***

            
*(Initial)* (1) I certify that I am an accredited investor because I have an individual net worth, or my spouse and I have a combined net worth, in excess of \$1,000,000.

*For purposes of this questionnaire, (i) “net worth” means the excess of total assets at fair market value, including home furnishings and automobiles, over total liabilities; (ii) Investor may not count the value of Investor’s primary residence in net worth, and if the amount of debt on Investor’s primary residence exceeds its value, Investor must count the excess against net worth; and (iii) Investor does not need to count as a liability debt secured by the Investor’s primary residence up to the value of the residence, unless the amount of such debt exceeds the amount that was outstanding 60 days prior, other than debt resulting from the acquisition of the primary residence).*

(2) I certify that I am an accredited investor because I had individual income (exclusive of any income attributable to my spouse) of more than \$200,000 in each of the past two years, or joint income with my spouse of more than \$300,000 in each of those years, and I reasonably expect to reach the same income level in the current year.<sup>10</sup>

\_\_\_\_\_  
(Initial)

***For All Others***

(3) The Investor hereby certifies that it is an accredited investor because it is a bank as defined in §3(a)(2) of the Securities Act or a savings and loan association or other institution as defined in §3(a)(5)(A) of the Securities Act, acting in its individual or fiduciary capacity.

\_\_\_\_\_  
(Initial)

(4) The Investor hereby certifies that it is an accredited investor because it is a broker-dealer registered pursuant to §15 of the Securities Exchange Act of 1934 (the "1934 Act").

\_\_\_\_\_  
(Initial)

(5) The Investor hereby certifies that it is an accredited investor because it is an insurance company as defined in §2(13) of the Securities Act.

\_\_\_\_\_  
(Initial)

(6) The Investor hereby certifies that it is an accredited investor because it is an investment company registered under the Investment Company Act of 1940 or a business development company as defined in §2(a)(48) of that act.

\_\_\_\_\_  
(Initial)

(7) The Investor hereby certifies that it is an accredited investor because it is a Small Business Investment Company licensed by the U.S. Small Business Administration under §301(c) or (d) of the Small Business Investment Act of 1958.

\_\_\_\_\_  
(Initial)

(8) The Investor hereby certifies that it is an accredited investor because it is 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, and such plan has total assets in excess of \$5,000,000.

\_\_\_\_\_  
(Initial)

(9) The Investor hereby certifies that it is an accredited investor because it is an employee benefit plan ("Plan") within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the decision to invest in the Company was made by a plan fiduciary (as defined in §3(21) of ERISA), which is either a bank, savings and loan association, insurance company or registered investment adviser. The name of such plan fiduciary is:

\_\_\_\_\_  
(Initial)

(10) The Investor hereby certifies that it is an accredited investor because it is an employee benefit plan within the meaning of ERISA or a pension plan which is not a self-directed plan and has total assets in excess of \$5,000,000.

\_\_\_\_\_  
(Initial)

(11) The Investor hereby certifies that it is an accredited investor because it is a self-directed plan in which investment decisions are made solely by persons that are accredited investors on the basis of (1) or (2) above. *The Company, acting in its sole discretion, may request information regarding the basis on which such participants are accredited.*

\_\_\_\_\_  
(Initial)

<sup>10</sup> For purposes of this Agreement, "individual income" means adjusted gross income, as reported for Federal income tax purposes, less any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (but not including any amounts attributable to a spouse or to property owned by a spouse): (i) the amount of any tax-exempt interest income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); (ii) the amount of losses claimed as a limited partner in a limited partnership as reported on Schedule E of Form 1040; (iii) the amount of any deduction, including the allowance for depletion, under Section 611 *et seq.* of the Code; (iv) amounts contributed to an Individual Retirement Account (as defined in the Code) or Keogh retirement plan; (v) alimony paid; and (vi) any elective contributions to a cash or deferred arrangement under Section 401(k) of the Code. For purposes of this Agreement, "joint income" means adjusted gross income, as reported for Federal income tax purposes, including any income attributable to a spouse or to property owned by a spouse, increased by the foregoing items (i) through (vi), (including any amounts attributable to a spouse or to property owned by a spouse).

- \_\_\_\_\_  
(Initial) (12) The Investor hereby certifies that it is an accredited investor because it is a private business development company as defined in §202(a)(22) of the Investment Advisers Act of 1940 (the “Advisers Act”).
- \_\_\_\_\_  
(Initial) (13) The Investor hereby certifies that it is an accredited investor because it is (i) a corporation, Massachusetts or similar business trust, partnership, or an organization described in §501(c)(3) of the Code, (ii) was not formed for the specific purpose of acquiring the Note offered, and (iii) has total assets in excess of \$5,000,000.
- \_\_\_\_\_  
(Initial) (14) The Investor hereby certifies that it is an accredited investor because it is an irrevocable trust (i) with total assets in excess of \$5,000,000, (ii) not formed for the specific purpose of acquiring the Note offered, (iii) whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment.
- \_\_\_\_\_  
(Initial) (15) The Investor hereby certifies that it is an accredited investor because all of its equity owners are accredited investors. *The Company, in its sole discretion, may request information regarding the basis on which such equity owners are accredited.*

**If none of the categories above is applicable, please return this Agreement and the Memorandum to the Company.**

- (C) ERISA Status: Is the Investor a trust, pension, profit-sharing, or other entity subject to any provisions of ERISA or does the entity’s underlying assets include “*plan assets*” as defined by ERISA?

(initial one) \_\_\_\_\_ Yes \_\_\_\_\_ No

**If the answer above is “Yes,” the Company may determine that the subscription is not a suitable investment for the Investor and may decline the subscription. Please contact the Company for further information.**

- (D) Disqualified Persons: *The Investor must certify whether or not it has experienced any of the following regulatory events by checking “Yes” or “No” where indicated.*

Yes     No    The Investor has been convicted, within ten years prior to today, of any felony or misdemeanor:  
 (A) In connection with the purchase or sale of any security;  
 (B) Involving the making of any false filing with the SEC; or  
 (C) 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.

Yes     No    The Investor is subject to an order, judgment or decree of a court of competent jurisdiction, entered within five years before today, that restrains or enjoins the Investor from engaging or continuing to engage in any conduct or practice:  
 (A) In connection with the purchase or sale of any security;  
 (B) Involving the making of any false filing with the SEC; or  
 (C) 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.

Yes     No    The Investor is 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 Commodity Futures Trading Commission or the National Credit Union Administration that:  
 (A) Presently bars the Investor from:



- (1) Association with an entity regulated by such commission, authority, agency, or officer;
- (2) Engaging in the business of securities, insurance or banking; or
- (3) Engaging in savings association or credit union activities; or

(B) 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 today.

Yes       No      The Investor is subject to an order of the SEC entered pursuant to the 1934 Act §15(b) or 15B(c) or the Advisers Act §203(e) or (f) that presently:

- (A) Suspends or revokes the Investor's registration as a broker, dealer, municipal securities dealer or investment adviser;
- (B) Places limitations on the activities, functions or operations of the Investor; or
- (C) Bars the Investor from being associated with any entity or from participating in the offering of any penny stock.

Yes       No      The Investor is subject to an order of the SEC entered into within five years of today, that presently ordered the Investor to cease and desist from committing or causing a violation or future violation of:

- (A) Any scienter-based anti-fraud provision of the federal securities laws, including the Securities Act §17(a)(1), the 1934 Act §§10(b) and 15(c)(1), Rule 10-b-5 under the 1934 Act, and the Advisers Act §206(1), or any other rule or regulation thereunder; or
- (B) Securities Act §5.

Yes       No      The Investor has been suspended or expelled from membership in, or suspended or barred from association with a member of, 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.

Yes       No      The Investor has filed (as a registrant or issuer), or was or was named as an underwriter in, any registration statement or Regulation A offering statement filed with the SEC that, within five years of today, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is presently the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

Yes       No      The Investor is subject to a United States Postal Service false representation order entered within five years of today, or is presently 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.

#### **IV. REPRESENTATIONS AND COVENANTS OF THE INVESTOR**

(A) The Investor shall not sell or otherwise transfer the Note without registration under the Securities Act and applicable Acts or an exemption therefrom and without complying with this Agreement, and the Investor fully understands and agrees that it must bear the economic risk of its investment for an indefinite period of time because, among other reasons, the Note has not been registered under the Securities Act or under the Acts, and, therefore, cannot be resold, pledged, assigned, or otherwise disposed of unless the transaction or Note is subsequently registered under the Securities Act and under applicable Acts or an exemption from such registration is available. The Investor understands that the Company is under no obligation to register the Note on its behalf or to assist it in complying with any exemption from such registration under the Securities Act or any applicable Acts.

(B) The Investor has received and read a copy of the Memorandum, discussing among other things, the risks of an investment in the Notes and have been furnished with such financial and other information as the Investor considers necessary in connection

with the Investor's investment in the Note. The Investor acknowledges that in making a decision to subscribe for the Note, the Investor has relied solely upon the Memorandum and independent investigations made by the Investor. The Investor's investment in the Note is consistent with the investment purposes and objectives and cash flow of the Investor and will not adversely affect the Investor's overall need for diversification and liquidity.

- (C) The Investor understands that the Memorandum has been prepared solely for the benefit of prospective investors interested in the proposed private placement of the Notes. The Investor has not distributed and will not distribute the Memorandum or any other information concerning the Company to any person other than those persons retained to advise the Investor with respect thereto, and agrees that reproduction of the Memorandum, in whole or in part, or the divulgence of any of its contents without the Company's prior written consent is prohibited. The Investor agrees to return this Agreement, the Memorandum and all other documents to the Company if the Investor does not intend to subscribe for the purchase of the Note, the Investor's subscription is not accepted, or the offering is terminated.
- (D) The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of the Investor's investment in the Note and is able to bear such risks, and has obtained, in the Investor's judgment, sufficient information from the Company or its authorized representatives to evaluate the merits and risks of such investment. The Investor has evaluated the risks of investing in the Note and has determined that the Note is a suitable investment for the Investor. The Investor can afford a complete loss of the investment in the Note, can afford to hold the investment in the Note for an indefinite period of time, and acknowledges that no interest on the Note is expected to be paid in the foreseeable future.
- (E) At the time the Investor was offered the Note, it was, and as of the date hereof it is, an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the SEC under the Securities Act and has truthfully and accurately completed the Accredited Investor Status in Article II, Section (B) of this Agreement. If the Investor qualifies as an accredited investor on the basis of net worth, such Investor represents and warrants that all liabilities necessary to make a determination of net worth have been disclosed to the Company. If the Investor qualifies as an accredited investor on the basis of income, such Investor represents and warrants that he or she has a reasonable expectation of achieving the income level necessary to qualify as an accredited investor as defined in this Agreement.
- (F) The Investor (i) does not have an overall commitment to investments which are not readily marketable that is disproportionate to his, her or its net worth, and his, her or its investment in the Note will not cause such overall commitment to become excessive; and (ii) has adequate net worth and means of providing for his, her or its current needs and personal contingencies to sustain a complete loss of his, her or its investment in the Note at the time of investment, and has no need for liquidity in his, her or its investment in the Note.
- (G) The Investor is acquiring the Note subscribed for herein for its own account, for investment purposes only and not with a view to, or for sale in connection with, any distribution of the Note within the meaning of the Securities Act, or any rule or regulation under the Securities Act. The Note is not being purchased for subdivision or fractionalization thereof; and the Investor has no contract, undertaking, agreement or arrangement with any person or entity to sell, hypothecate, pledge, donate or otherwise transfer (with or without consideration) to any such person or entity any of the Note for which the Investor hereby subscribes, and the Investor has no present plans or intentions to enter into any such contract, undertaking, agreement or arrangement.
- (H) If the Investor is a Plan, (i) the Investor has considered an investment in the Note in light of the risks relating thereto; (ii) the Investor has determined that, in view of such considerations, the investment in the Note is consistent with the Investor's responsibilities under ERISA; (iii) the decision to invest was not based on any advice or recommendation by the Company or any of its affiliates and were made by the undersigned acting on behalf of the Plan; and (iv) the Investor is independent of the Company and its affiliates and is qualified to make such investment decisions.
- (I) If the Investor is not a Plan, less than 25% of the Investor's assets are owned by "benefit plan investors" as defined in the regulations of the U.S. Department of Labor concerning those categories of assets that constitute assets of an employee benefit plan. The Investor agrees to notify the Company promptly if the percentage of assets which is owned by benefit plan investors should equal or exceed 25%.
- (J) The Investor agrees and is aware that:
  - (1) the business contemplated in the Memorandum has limited operating history and is still in the development stage;

- (2) no Federal or state agency has passed upon the Notes or made any findings or determination as to the fairness of this investment; and
  - (3) there are substantial risks of loss of investment incidental to the purchase of the Notes, including those summarized in the Memorandum, and the Investor may lose its entire investment in the Note.
- (K) The Investor acknowledges that the Investor has been given no assurances with respect to the future performance of the Company. Further, the Investor acknowledges that the projections and other forward-looking information contained in the Memorandum are based on assumptions made by the Company which are inherently uncertain, and it is likely, for many reasons, that actual results will differ materially from those contemplated by the projections and forward-looking statements. The Investor represents that the Investor has not placed undue reliance on the projections and forward-looking information in the Memorandum. The Investor is aware of the foregoing uncertainties in making an investment in the Note.
- (L) The execution, delivery and performance by the Investor of this Agreement are within the powers of the Investor, have been duly authorized and will not constitute or result in a breach or default under, or conflict with, any order, ruling or regulation of any court or other tribunal or of any governmental commission or agency, or any agreement or other undertaking, to which the Investor is a party or by which the Investor is bound, and, if the Investor is not an individual, will not violate any provisions of the incorporation papers, by-laws, indenture of trust or partnership agreement, as may be applicable, of the Investor. The signature on this Agreement is genuine, and the signatory, if the Investor is an individual, has legal competence and capacity to execute the same, or, if the Investor is not an individual, the signatory has been duly authorized to execute the same, and this Agreement constitutes a legal, valid and binding obligation of the Investor, enforceable in accordance with its terms.
- (M) The Investor has complied and will continue to comply in all material respects with all laws, rules, and regulations having application to its business, properties, and assets, and there are no actions, suits, proceedings, or investigations pending or, to the knowledge of the Investor, threatened against the Investor or any of its principals or affiliates, at law or in equity or before any governmental department, commission, board, bureau, agency, or instrumentality, or any self-regulatory organization, or any securities or commodity exchange, in which an adverse decision could materially and adversely affect the Investor's ability to conduct its business or to comply with, and perform its obligations under, this Agreement.
- (N) The Investor understands and agrees that the Memorandum supersedes any and all other information concerning the Company and the Notes that may have previously been provided to the Investor, including any term sheet respecting the proposed offering of the Notes, and that the Investor has not been furnished any other offering literature except for the Memorandum and other materials which the Company may have subsequently provided at the request of the prospective investor. The prospective investor agrees that it has relied only on the information contained in the Memorandum and any information subsequently furnished or made available to the Investor by the Company.
- (O) The Company has suggested to the Investor that he or she should consult with legal and financial professionals in connection with making his or her investment in the Note.
- (P) All information which the Investor has provided to the Company concerning the Investor, the financial position and knowledge of the Investor as to financial and business matters or, in the case of a corporation, partnership, trust or other entity, the knowledge of financial and business matters of the person making the investment decision on behalf of such entity, including all information contained herein, is true and complete as of the date set forth at the end hereof, and if there should be any adverse change in such information, whether prior to or after this subscription being accepted, the Investor agrees immediately to provide the Company with accurate and complete information concerning any such change.
- (Q) The Investor's investment in the Note has not been solicited in any way by anyone other than the Company's management, and the Investor has been given no assurances with respect to the Company's future performance.
- (R) The Investor understands and agrees that the Note is not transferable.

## **V. GENERAL**

- (A) The Investor agrees to indemnify and hold the Company harmless and its Manager, officers, employees, agents and shareholders, and each other person, if any, who controls or is controlled by any thereof, within the meaning of Section 15 of the Securities Act (and any similar provisions of applicable Acts), against any and all loss, liability, claim, damage, cost and expense whatsoever (including, but not limited to, legal fees and disbursements and any and all other expenses whatsoever

reasonably incurred in investigating, preparing for or defending against any litigation, arbitration proceeding, or other action or proceeding, commenced or threatened, or any claim whatsoever) arising out of or in connection with, or based upon or resulting from, (i) any false representation or warranty or breach or failure by the Investor to comply with any covenant or agreement made by the Investor in this Agreement or in any other document furnished by the Investor to any of the foregoing in connection with this transaction or (ii) any action for securities law violations instituted by the Investor which is finally resolved by judgment against the Investor.

- (B) If any provision of this Agreement is invalid or unenforceable under any applicable law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such applicable law. Any provision hereof which may be held invalid or unenforceable under any applicable law or in any particular instance shall not affect the validity or enforceability of any other provisions hereof or of such provision in any other instance, and to this extent the provisions hereof shall be severable.
- (C) The Investor agrees not to transfer or assign this Agreement, or any of the Investor's interest herein, and further agrees that the transfer or assignment of the Note shall be made only in accordance with applicable laws, the Note, and this Agreement.
- (D) This Agreement represents the entire agreement of the parties with respect to the subject matter hereof and may not be changed or terminated orally.
- (E) No waiver by any party of any breach of any term of this Agreement shall be construed as a waiver of any subsequent breach of that term or any other term of the same or of a different nature.
- (F) This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.
- (G) This Agreement shall be deemed to have been made under, and shall be governed by, and construed in accordance with, the substantive law of the State of Delaware (excluding the law thereof which requires the application of or reference to the law of any other jurisdiction).
- (H) If any legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which they may be entitled.

## **VI. TRUSTEE, AGENT, REPRESENTATIVE OR NOMINEE**

If the Investor is acting as trustee, agent, representative or nominee for a subscriber (a "Beneficial Owner"), the Investor understands and acknowledges that the representations, warranties and agreements made herein are made by the Investor (A) with respect to the Investor and (B) with respect to the Beneficial Owner of the Note subscribed for hereby. The Investor further represents and warrants that he or she has all requisite power and authority from said Beneficial Owner to execute and perform the obligations under this Agreement. The Investor also agrees to indemnify and defend the Company, the Manager, the officers, and agents for any and all costs, fees and expenses (including legal fees and disbursements) in connection with any damages resulting from the Investor's or the Beneficial Owner's misrepresentation or misstatement contained herein, or the assertion of the Investor's lack of proper authorization from the Beneficial Owner of the Note subscribed for hereby to enter into this Agreement or perform the obligations hereof.

## **VII. ADDITIONAL INFORMATION**

The Company may request from the Investor such additional information as the Company deems necessary to evaluate the eligibility of the Investor to acquire the Note, and may request from time to time such information as it may deem necessary to determine the eligibility of the Investor to hold the Note or to enable the Company to determine its compliance with applicable regulatory requirements, and the Investor shall provide such information as may reasonably be requested.

*[Signature pages follow]*

IN WITNESS WHEREOF, the Investor has executed this Agreement as of the date set forth below, and with respect to the information disclosed herein, has executed this Agreement under penalties of perjury.

Date: \_\_\_\_\_.

***For Individual Investors:***

***For Investors other than Individuals:***

\_\_\_\_\_  
(Please type or print name of Investor)

\_\_\_\_\_  
(Please type or print name of Investor)

\_\_\_\_\_  
Signature of Investor or Authorized Signatory

By: \_\_\_\_\_  
Signature of IRA Custodian

\_\_\_\_\_  
Title of Authorized Signatory (*if applicable*)

\_\_\_\_\_  
(Please type or print name of IRA Custodian)

Title: IRA Custodian

\_\_\_\_\_  
Date of Birth

***Name of Trustees or Other Fiduciaries Exercising Investment Discretion with Respect to Benefit Plan or Trust***

*If this Agreement is being executed by a directed trustee, the individual (i) has directed the custodian or trustee to execute this Agreement on the line set forth above, (ii) has exclusive authority with respect to the decision to invest in the Note, and (iii) has signed below to indicate that he or she has reviewed, directed, and certifies to the accuracy of the representations and warranties made by the Investor herein.*

*Signature*

*Printed Name*

*Title*

\_\_\_\_\_

***To be completed by the Company:***

The foregoing Agreement is hereby accepted by the Company this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

TB Fund 2, LLC – Series A, a Delaware series limited liability company

By: TB Fund Manager, LLC, a Delaware limited liability company, its Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**JOINDER AGREEMENT**  
**TO**  
**SERIES A 12.50% SENIOR SECURED PROMISSORY NOTES SECURITY AGREEMENT**

In consideration of the issuance of a Series A 12.50% Senior Secured Promissory Note to the undersigned party as a Noteholder of **Series A - TB Fund 2, LLC**, a Delaware series limited liability company (the "Company"), the undersigned hereby joins in the Series A 12.50% Senior Secured Promissory Notes Security Agreement of the Company, dated October 3, 2023 which is incorporated herein by this reference (the "Security Agreement"). The undersigned hereby agrees to be bound by the terms of the Security Agreement and to abide by all of its provisions. This Joinder Agreement is binding upon the undersigned and the personal representatives, successors, and assigns of the undersigned and is for the benefit of the Company and each holder of its Series A 12.50% Senior Secured Promissory Notes.

Witness the hand and seal of the undersigned, effective as of \_\_\_\_\_, 20\_\_\_\_.

**NOTEHOLDER:**

Name:

By: \_\_\_\_\_

Print name: \_\_\_\_\_

Title (if Applicable): \_\_\_\_\_

**AGREED TO AND ACCEPTED BY:**

**TB FUND 2, LLC – SERIES A**, a  
Delaware series limited liability company

By: TB Fund Manager, LLC, a Delaware  
limited liability company, its Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit C**

**SERIES A 12.50% SENIOR SECURED PROMISSORY NOTES  
SECURITY AGREEMENT**

[ see attached ]

## **SECURITY AGREEMENT**

### **TB FUND 2, LLC – SERIES A**

THIS SECURITY AGREEMENT (“Security Agreement”) is entered into and effective as of October 31, 2023, by and between Series A of TB Fund 2, LLC, a Delaware series limited liability company (the “Pledgor”), and those persons who execute a joinder hereto (collectively, the “Secured Parties”). The Pledgor and the Secured Parties are each individually a “Party,” and collectively constitute the “Parties.”

#### **RECITALS**

WHEREAS, this Security Agreement is entered into and executed in accordance with those certain Series A 12.50% Secured Promissory Notes (collectively, the “Notes”) by and between Pledgor and the Secured Parties; and

WHEREAS, the Secured Parties’ obligation to pay the Notes necessitates that Pledgor grant the Secured Parties a first priority security interest in the Pledged Assets (defined herein) on the terms and conditions set forth in this Security Agreement in order to secure payment and performance of Pledgor’s obligations under the Notes.

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Grant of Security Interest. To secure prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) and performance of Pledgor’s obligations under the Notes, Pledgor hereby pledges and grants to the Secured Parties a security interest in all of Pledgor’s right, title and interest in, to the inventory, commodities, metals, liquids, minerals, textiles, consumer electronics, consumer goods, luxury goods, machinery, tools, and each other physical asset owned from time to time by the Pledgor in its normal course of business and all proceeds deriving therefrom (collectively, the “Pledged Assets”). For purposes of this Security Agreement, the term “proceeds” includes whatever is receivable or received when Pledged Assets or proceeds of the Pledged Assets are sold, collected, exchanged, or otherwise disposed of, whether the disposition is voluntary or involuntary, and includes, without limitation, all rights to payment in whatever form and however arising. For clarity, none of the assets of any other Series of TB Fund 2, LLC other than Series A shall be covered by the foregoing grant of a security interest.

2. Pro Rata Rights of the Secured Parties. Each Secured Party will be treated equally regardless of the date and amounts of their respective Notes. In the event the Pledged Assets are insufficient to repay in full the amounts owed by Pledgor to the Secured Parties, the payments to each Secured Party shall be reduced pro rata so that each Secured Party recovers the same percentage of their secured obligations. As used in this Agreement, a “majority” of the Secured Parties means those Secured Parties holding greater than 50% of the then-outstanding principal under the Notes. In an Event of Default, the Secured Parties will select one or more representatives, which representatives need not be a Secured Party, to represent the interests of all of the Secured Parties.



3. Representations and Warranties. Pledgor represents and warrants the following, both upon execution of this Security Agreement and continuously during its term:

(a) Ownership of Pledged Assets. Pledgor is the sole legal and equitable owner of and has good and marketable title to the Pledged Assets.

(b) Creation, Perfection, and Priority. The Parties' execution of this Security Agreement and the recording of any financing statement(s) (Form UCC-1) creates in favor of the Secured Parties a perfected security interest in the Pledged Assets. Except for this security interest, no person or entity has any right, title, claim, or interest (by way of security interest or other lien or charge) in the Pledged Assets.

(c) No Conflict. The execution and delivery by Pledgor of this Security Agreement will not (i) violate, conflict with, or give rise to any right of termination, cancellation, rescission, or acceleration under any agreement, lease, security, license, permit, or instrument to which he is a party, or to which he or any of his assets is subject, (ii) result in the imposition of any encumbrance on any of his assets (except for the security interest granted pursuant to this Security Agreement), (iii) violate or conflict with any laws, or (iv) require any consent, approval or other action of, notice to, or filing with any person, except for those that have been obtained or made or will be obtained or made.

3. Covenants and Agreements of Pledgor.

(a) Delivery. Pledgor shall deliver to the Secured Parties all instruments, documents, chattel paper, and other items of Pledged Assets for which a security interest may be perfected by possession, together with the additional writings (including assignments) that the Secured Parties reasonably request, provided, however, that the assignments may be used to transfer or assign the Pledged Assets only when an Event of Default occurs. The Secured Parties will retain possession of the foregoing documents for so long as the Notes remain outstanding.

(b) Preserve Pledged Assets. Pledgor shall do all acts necessary to maintain, preserve, and protect the Pledged Assets.

(c) Use of Pledged Assets. Pledgor shall not use and shall not permit any Pledged Assets to be used unlawfully or in violation of any provision of this Security Agreement, the Notes, or any other agreement with Secured Parties related to the Pledged Assets, or any applicable statute, regulation, or ordinance or any policy of insurance covering the Pledged Assets. Notwithstanding the foregoing, Pledgor shall have full authority to use the Pledged Assets to deal with the Pledged Assets in the ordinary course of business.

(d) Pay Taxes. Pledgor shall pay promptly when due all taxes, assessments, charges, encumbrances and liens imposed upon or affecting any Pledged Assets.

(e) Defend Litigation. Pledgor shall appear in and defend any action or proceeding that might affect Pledgor's title to or the Secured Parties' interest in the Pledged Assets.

(f) Possession of Pledged Assets. Pledgor shall not surrender or lose possession of (other than to the Secured Parties), encumber, lease, rent, or otherwise dispose of or transfer any Pledged Assets other than a sale in the ordinary course of business, and shall keep the Pledged Assets free of all levies and security interests or other liens or charges (including, but not limited to junior liens), except those that a majority of the Secured Parties approve in writing.

(g) Comply with Law. Pledgor shall comply with all laws, regulations, and ordinances relating to possession, maintenance, and control of the Pledged Assets.

(h) Maintain Records; Notify of Changes. Pledgor shall keep separate, accurate, and complete records of the Pledged Assets and provide to Secured Parties the records, reports, and information relating to the Pledged Assets that the Secured Parties request from time to time. Pledgor shall give the Secured Parties thirty (30) days' prior written notice of any change in Pledgor's principal place of business.

(i) Further Assurances. Pledgor shall procure, execute, and deliver from time to time any powers of attorney, endorsements, notifications, registrations, assignments, financing statements (including, but not limited to, Form UCC-1), certificates and other writings deemed necessary or appropriate by the Secured Parties to perfect, maintain, and protect its security interest in the Pledged Assets and the priority of the security interest.

(j) Pay Secured Parties' Costs and Expenses. Pledgor shall reimburse the Secured Parties on demand for costs and expenses, including recording costs and reasonable attorneys' fees and disbursements that the Secured Parties incur in properly exercising any right, power, or remedy provided by this Security Agreement or by law.

(k) Right to File Financing Statement. Pledgor authorizes the Secured Parties to file from time to time, such financing statements (including, but not limited to, Form UCC-1) against the Pledged Assets as a majority of the Secured Parties deem necessary or useful to perfect their collective security interest in the Pledged Assets.

4. Term of Pledge; Release; Appointment as Agent for Pledged Assets.

(a) Except as otherwise provided in this Security Agreement, equitable title to the Pledged Assets shall remain vested in Pledgor. The Secured Parties only hold a security interest in the Pledged Assets for the repayment of the indebtedness evidenced by the Notes. The Secured Parties shall not encumber or dispose of the Pledged Assets, except in accordance with the provisions of this Security Agreement. The Pledged Assets shall remain pledged to the Secured Parties until all sums due under the Notes have been paid in full and all obligations of Pledgor thereunder and hereunder have been performed.

(b) Any release of the Pledged Assets from this Security Agreement will not release Pledgor from continuing obligations under the Notes. Upon the payment and performance in full of all of the obligations under the Notes and this Security Agreement by Pledgor, the Secured Parties shall release the Pledged Assets.

5. Event of Default. An “Event of Default” under this Security Agreement means an event of default under the Notes.

6. Remedies Upon Default. Upon the occurrence of an Event of Default, the Secured Parties shall have, and may exercise any one or more of, the following rights:

(a) The Secured Parties may take absolute title to the Pledged Assets by foreclosing on the Pledged Assets (through a power of sale or otherwise), and after this transfer the Secured Parties will own the Pledged Assets; or

(b) The Secured Parties may sell, assign, and deliver all or any part of the Pledged Assets at any private sale or at public auction, with or without demand or advertisement of the time or place of sale or adjournment thereof or otherwise, for cash, for credit or for other property or consideration, for immediate or future delivery. Any sale or offer of the Pledged Assets by the Secured Parties pursuant to the terms of this Security Agreement shall be at Pledgor’s expense. Pledgor shall reimburse the Secured Parties for their costs and other expenses in having the Pledged Assets sold or offered for sale, including attorneys’ fees.

7. Application of Proceeds. The Secured Parties shall apply the proceeds of any sale of all or any part of the Pledged Assets and any distributions that it directs to themselves, after deducting all costs and expenses of collection, sale and delivery (including without limitation, attorneys’ fees, paralegal fees and expenses, for all proceedings, trials and appeals and all costs and expenses) incurred by the Secured Parties, to the payment of all amounts due and payable under the Notes and all other liabilities of Pledgor to the Secured Parties.

8. Private Sale of Pledged Assets. The Secured Parties may effect a private sale of Pledged Assets at any sale made pursuant to Section 6(b) hereof. In effecting such private sale, Pledgor waives for himself or his assigns, to the extent it is legally able to do so, any requirement (statutory or otherwise) of advertisement (general or limited) or public announcement as to the time and place of the sale of the Pledged Assets by the Secured Parties.

9. Right to Bid or Purchase. At any sale made pursuant to Section 6(b) hereof, the Secured Parties may bid for or purchase, free from any right of redemption on the part of Pledgor (all said rights being also waived and released), all or any portion of Pledged Assets offered for sale and may make payment on account thereof by using any outstanding balance of the Notes as a credit against the purchase price, and the Secured Parties may, upon compliance with the terms of sale, hold, retain and dispose of such Pledged Assets without further accountability. However, notwithstanding any of the foregoing, nothing in this Security Agreement shall be construed as a requirement of the Secured Parties to sell, or attempt to sell, the Pledged Assets upon an Event of Default.

10. Power of Attorney.

(a) Pledgor irrevocably constitutes and appoints each Secured Party (or each Secured Party's successors or assigns) the true and lawful attorney-in-fact of Pledgor to make, execute, acknowledge, swear to, and file after an Event of Default: (i) any application, request, certificate, or other instrument which may be required to be filed with the Secretary of State or any other governmental authority in the State of Delaware or any other jurisdiction whose laws may be applicable to effectuate any transfer of the Pledged Assets by the Secured Parties, in accordance with the provisions of this Security Agreement; and (ii) any instrument which the Secured Parties deem necessary or appropriate to facilitate the implementation of the terms of this Security Agreement, so long as such instruments do not alter the rights or obligations of Pledgor under the terms of this Security Agreement.

(b) It is expressly acknowledged by Pledgor that the foregoing power of attorney is coupled with an interest, is irrevocable and shall survive the bankruptcy or insolvency of Pledgor or any assignment of the Pledged Assets for the benefit of creditors. The foregoing grant of authority: (i) may be exercised by the Secured Parties (or the Secured Parties' successors or assigns) by a facsimile signature, and (ii) shall not cause Pledgor to be liable in any manner for the act or omissions of the Secured Parties (or the Secured Parties' successors or assigns) and is granted only to permit the Secured Parties (or the Secured Parties' successors or assigns) to carry out the provisions of this Security Agreement. The foregoing power of attorney terminates when the pledge under this Security Agreement terminates.

11. Notices. All demands, notices and other communications to the Secured Parties or Pledgor provided for under this Security Agreement shall be provided as set forth below:

Secured Parties:	As reflected in each Note
Pledgor:	TradeBacked Inc. 2980 NE 207 <sup>th</sup> Street, Suite 300 Aventura, FL 33180

12. Governing Law. The validity, construction, interpretation, and enforceability of this Security Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of laws rules thereof.

13. Counterparts. This Security Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and all of which when taken together will constitute one and the same agreement.

14. Successors and Assigns. This Security Agreement is not assignable by Pledgor without the prior written consent of a majority of the Secured Parties, and any attempted assignment without the prior written consent of a majority of the Secured Parties shall be invalid

and unenforceable against the Secured Parties. The Secured Parties may assign this Security Agreement to any succeeding holder of the Notes. This Security Agreement is binding upon, and inures to the benefit of, the respective heirs, authorized assignees, successors and personal representatives of the parties to it. The terms “Secured Parties” and “Pledgor” as used in this Security Agreement shall include such person’s successors, authorized assigns, heirs and personal representatives.

15. Headings, Captions and Pronouns. The Section headings, captions or abbreviations are included solely for convenient reference and shall not control the meanings or interpretation of any of the provisions of this Security Agreement. As used herein, words in the singular include the plural and the words in the masculine include the feminine and neuter gender, and vice versa whenever the context so requires.

16. Waiver. No waiver of any breach or default under this Security Agreement shall be deemed to be a waiver of any subsequent breach or default. Pledgor waives any right to require the Secured Parties to proceed against any person or entity to exhaust any Pledged Assets or to pursue any remedy in the Secured Parties’ power.

17. Incorporation of Recitals. The recitals set forth at the beginning of this Security Agreement are hereby incorporated into this Security Agreement by this reference and this Security Agreement shall be interpreted with reference to such recitals.

18. Entire Agreement; Severability. This Security Agreement, together with the Senior Secured Promissory Notes, contains the entire agreement between Pledgor and the Secured Parties. This Security Agreement shall not be severable in any way, but if any provision shall be held to be invalid, the invalidity shall not affect the validity of the remainder of this Security Agreement and the remainder of this Security Agreement shall continue in full force and effect.

19. Amendment. This Security Agreement may not be amended or modified except by a writing signed by each of the Parties.

20. Cumulative Rights. The rights, powers, and remedies of the Secured Parties under this Security Agreement shall be in addition to all rights, powers, and remedies given to the Secured Parties by virtue of any statute or rule of law or the Notes, all of which rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently without impairing the Secured Parties’ security interest in the Pledged Assets.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, the Parties have executed this Security Agreement on the date first set forth above.

**PLEDGOR:**

**SERIES A – TB FUND 2, LLC**, a Delaware series limited liability company

By: TB Fund Manager, LLC, a Delaware limited liability company, its Manager

By: Sumit Saraf  
Sumit Saraf, *President*

[signatures of secured parties set forth on separate Joinders]

## Exhibit D

### INVESTMENT COMMITTEE RESUMES

The current members of the Investment Committee include Jeff Shafer, Stephen Hester, Sumit Saraf, and Aditya Trivedi. The biographies of Sumit Saraf and Aditya Trivedi are set forth in the Confidential Offering Memorandum. Both Jeff and Stephen are registered representatives of CommonGood Securities LLC, a broker-dealer registered with the Securities and Exchange Commission and a Member of FINRA/SIPC. Their resumes are set forth below.

**Jeff Shafer CFP®, CHFC®**

*Co-Founder and Chief Executive Officer*

After graduating from Wheaton College (IL) with a Bachelor of Arts degree in Psychology and Biblical Studies, Jeff married Shelly, his wife of over 20 years. Jeff has always been passionate about the financial industry and has worked with Morgan Stanley and TriLinc (a leading impact investing fund sponsor), while spending the majority of his time, 18 ½ years, with CNL, a leading alternative investment asset manager. Jeff served in multiple senior leadership roles, and as President, led his team in raising nearly \$9 billion in capital. During his time at CNL, Jeff earned a Master of Business Administration from Crummer Graduate School of Business at Rollins College (FL) and also holds the Certified Financial Planner and Chartered Financial Consultant designations, as well as FINRA Series 7, 24, 63 and 79 licenses. Today, Jeff is co-founder and CEO of CommonGood Capital where he sets the strategic direction and leads the team day to day on this exciting journey.

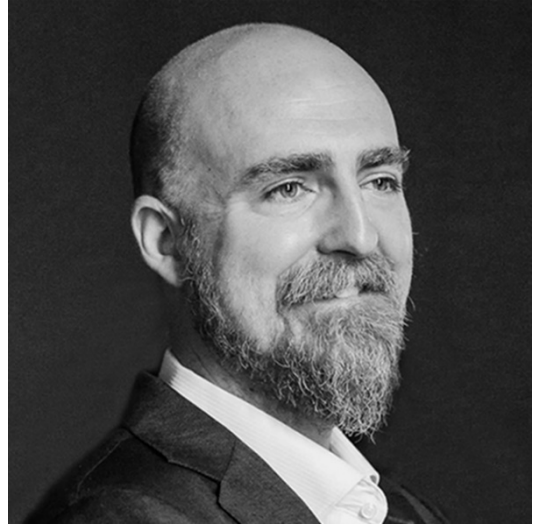


Jeff has served on numerous boards including the United Way and Board of Advisors for Crummer Graduate School of Business, Rollins College. Today he serves on the Doug Holliday Ministries Board, NCF Advisory Board, Chair of Elevation Scholar Foundation, Alumni Board of Wheaton College and The Geneva School Board of Directors.

Jeff and Shelly settled in Winter Park, FL in 2004 where they love doing life together, whether around the dinner table, or keeping up with their two children, Ellie and Nick, who are both college-bound shortly. You will often find Jeff reading non-fiction books, cycling, cheering on his beloved Oregon Ducks or tinkering around on their acreage out in the country with the family dog, Calvin, a black and tan coon hound. He also is deeply passionate about men and women who are incarcerated, and one day wants to create an impact fund that benefits both these ex-offenders and investors.

**Stephen Hester, CFA**  
*VP of Investments*

Stephen's capital markets career began in the hedge fund industry and evolved toward complex and alternative investment analysis for large financial institutions. His latest roles were Director of Due Diligence at two \$200 billion+ independent broker/dealer networks, Ladenburg Thalmann and Advisor Group, involving all aspects of investment and operational due diligence. He has presented institutional quality investment and risk analysis on opportunities in commercial and residential real estate, tax-driven special situations, private equity, private debt, and energy in over 100 investment committees in the past decade. He is experienced in the compliance requirements and characteristics of a wide range of investment vehicles including private placements, interval funds, and tax-advantaged structures such as Real Estate Investment Trusts and Business Development Companies. He's performed full cycle due diligence on offerings from The Blackstone Group, L.P., Bain Capital, Warburg Pincus, Brookfield Asset Management, KKR & Co., Apollo Global Management, The Carlyle Group, L.P., and Neuberger Berman, among others. Stephen has authored publications on subjects ranging from SEC and FINRA regulation to investment strategy and advanced engineering applications. He obtained his BA in Economics and MS in Energy & Earth Resources from the University of Texas at Austin. Stephen is a CFA charterholder, long-time participant in the Big Brothers Big Sisters program, and member of the Institute for Portfolio Alternative's Rising Leaders Council.





**Exhibit E**

**INVESTOR DECK**

[ see attached ]

power your business with

# TRADE.BACKED CAPITAL

THAT **ACTUALLY** WORKS

 BE LOCAL,  
THINK GLOBAL!

Inventory-backed Capital for Cash flow  
positive Small & Medium Businesses

## INVESTMENT CONSIDERATIONS AND RISKS

THE SECURITIES MAY BE SOLD ONLY TO ACCREDITED INVESTORS, WHICH, FOR NATURAL PERSONS, ARE INVESTORS WHO MEET CERTAIN MINIMUM ANNUAL INCOME OR NET WORTH THRESHOLDS. THE SECURITIES ARE BEING OFFERED IN RELIANCE ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ARE NOT REQUIRED TO COMPLY WITH SPECIFIC DISCLOSURE REQUIREMENTS THAT APPLY TO REGISTRATION UNDER THE SECURITIES ACT. THE COMMISSION HAS NOT PASSED UPON THE MERITS OF OR GIVEN ITS APPROVAL TO THE SECURITIES, THE TERMS OF THE OFFERING, OR THE ACCURACY OR COMPLETENESS OF ANY OFFERING MATERIALS. THE SECURITIES ARE SUBJECT TO LEGAL RESTRICTIONS ON TRANSFER AND RESALE, AND INVESTORS SHOULD NOT ASSUME THEY WILL BE ABLE TO RESELL THEIR SECURITIES. INVESTING IN SECURITIES INVOLVES RISK, AND INVESTORS SHOULD BE ABLE TO BEAR THE LOSS OF THEIR INVESTMENT.

AN INVESTMENT IN THE INTERESTS OF TB FUND 2, LLC IS SPECULATIVE AND INVOLVES SIGNIFICANT RISK. PROSPECTIVE INVESTORS SHOULD HAVE THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT SUCH RISKS AND THE LACK OF LIQUIDITY THAT IS CHARACTERISTIC OF THE INVESTMENT. POTENTIAL INVESTORS SHOULD CAREFULLY REVIEW THE "RISK FACTORS" BEGINNING ON PAGE 16 IN THE PRIVATE PLACEMENT MEMORANDUM FOR A MORE COMPREHENSIVE DISCUSSION OF RISKS AND SUITABILITY.

THIS INFORMATION DOES NOT CONSTITUTE AN OFFERING OF, NOR DOES IT CONSTITUTE, THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES. THIS INFORMATION IS PROVIDED SOLELY TO INTRODUCE THE COMPANY TO THE RECIPIENT AND TO ENABLE THE RECIPIENT TO DETERMINE WHETHER THE RECIPIENT WOULD LIKE ADDITIONAL INFORMATION. ANY SALE OF SECURITIES WILL ONLY TAKE PLACE PURSUANT TO THE APPROPRIATE, DETAILED PRIVATE PLACEMENT MEMORANDUM, SUBSCRIPTION AGREEMENT, AND/OR OTHER DOCUMENTATION.

THE NOTEHOLDERS ARE NOT SHAREHOLDERS OF THE COMPANY AND, THEREFORE, SHALL HAVE NO VOTING RIGHTS OR EQUITY INTEREST IN THE COMPANY. THE ONLY RIGHTS THE NOTEHOLDERS HAVE ARE SET FORTH IN THE NOTE EACH NOTEHOLDER RECEIVES FROM THE COMPANY. UNDER THE APPLICABLE SECURITY AGREEMENT, EACH INVESTOR MUST ENTER INTO, WHICH APPLIES TO THE COMPANY, TB ORIGINATIONS, LLC, AND EACH INVESTOR IN THE APPLICABLE SERIES OF NOTES.

THE NOTES CANNOT BE ASSIGNED, TRANSFERRED, OR ENCUMBERED EXCEPT ON LIMITED TERMS AND CONDITIONS. ACCORDINGLY, INVESTORS SHOULD ONLY ACQUIRE THE NOTES WITH THE EXPECTATION OF HOLDING THE NOTES THROUGH THE MATURITY DATE. THERE IS NO PUBLIC MARKET FOR THE NOTES, AND NONE IS EXPECTED TO DEVELOP. FURTHER, THE COMPANY IS UNDER NO OBLIGATION TO DEVELOP A MARKET FOR THE NOTES AT ANY TIME IN THE FUTURE. ALL TRANSFERS ARE SUBJECT TO APPROVAL AT THE MANAGER'S SOLE DISCRETION.

THE NOTES MAY BE DEEMED A SPECULATIVE INVESTMENT AND SHOULD ONLY BE CONSIDERED AS A SUPPLEMENT TO AN OVERALL INVESTMENT PROGRAM. THERE CAN BE NO ASSURANCES OR GUARANTEES THAT (I) THE COMPANY'S BUSINESS STRATEGIES AND PLANS WILL PROVE SUCCESSFUL OR (II) AN INVESTOR WILL NOT EXPERIENCE A SIGNIFICANT OR COMPLETE LOSS OF THEIR INVESTMENT IN THE NOTES. ACCORDINGLY, THE ACQUISITION OF NOTES SHOULD ONLY BE MADE BY PERSONS WHO ARE ABLE TO ASSUME SUCH RISKS AND ONLY AFTER CONSULTING WITH INDEPENDENT, EXPERIENCED PROFESSIONAL ADVISORS.

# Funding GAP for SMEs (Small & Medium Enterprises)

58%

58% SME loan rejection V/S  
10% rejection in corporate

\$1.7 Tr

Unmet global  
demand

• Tight banking  
regulations

• Default Rate – 1.4%

SME Contribute:

- 90% of businesses worldwide
- 50% of world employment
- 45% GDP



TradeBacked

Securities offered through CommonGood Securities LLC, member FINRA/SIPC

\*World Economic Forum, 2022



# TradeBacked Impact

As part of its unique business model, With strong intentions of becoming a Signatory to the United Nations Principles for Responsible Investment (UNPRI)

**Let's bring an  
Impact together!**

TradeBacked provides growth-stage loans and trade finance to established small and medium-sized enterprises in select markets with limited access to affordable capital. This shortage of capital helps create a meaningful opportunity to generate competitive risk-adjusted returns by supplying funds to growing companies with experienced management teams and stable, positive cash flows.

- SMEs are generally considered the economic engines of developed economies, creating over 50% of GDP and approximately 70% of new jobs.
- Globally, two out of three small businesses don't have access to sufficient financing, leaving millions of creditworthy businesses without the necessary capital for future growth.
- Banks in developing economies report lower default rates for their SME portfolios than those in developed economies yet realize average interest rates at least 6% higher than the developed economy average.



TradeBacked



# Management Team & Investment Committee

TradeBacked is led by an experienced, entrepreneurial trade finance and alternative asset management team that has deployed millions in trades.

Areas of specialties include origination, underwriting, monitoring, operations, portfolio, and fund management.



**Aditya Trivedi**  
Co-Founder, CEO

- 15 years of experience in international trade finance
- Raised and monitored \$600 million in trade finance and working capital for SMEs
- MS in Finance from ICFAI, Hyderabad, IN
- Extensive network of commercial dealers, investors and industry partners,



**Sumit Saraf**  
Co-founder, Capital Market

- 15 years of experience as Serial entrepreneur in technology and commercial trading
- Venture Capitalist and Investor in innovation
- MBA from MIT, Cambridge and Bachelor in Engineering from VTU, Bangalore



**Varun Sharma**  
CFO

- 8 years of experience in the legal, finance, and fintech sectors
- Global exposure in executing core financial tasks such as income tax planning and management, audit, development of financial models, budget forecasting, and cost-benefit analysis of various MNC's.

DD Report  FactRight



# Underwriting Team

Areas of specialties include origination, underwriting, monitoring, operations, portfolio management.



## Sandhya Dhomeja

Financial Controller

- 10 years of experience in Investment banking.
- Assisted more than 50+ start-up as virtual CFO and help them to achieve expand & grow their business
- Raised more than \$150M through debt funding for financial institution via domestic and ECB route.
- Qualified Chartered Accountant & completed her Post graduation in finance.



## Dhwani Tlati

Underwriting Analyst

- 8 plus years of experience in the legal, & underwriting in Mortgage and trade finance
- Worked as strategic analyst for various finance companies in India.
- Expertise in international Corporate laws.



# Investment Committee & Impact Observer

Areas of specialties include Impact Investments, Due Diligence, and Broker-Dealer



**Jeff Shafer, CFP, CHFC**  
CEO, CommonGood Capital

- 26 years veteran in the financial services industry
- Early adopter and leader in the Impact Investing Industry
- Ex-Morgan Stanley, CNL, and TriLinc
- Involved in the creation, formation and capital raise of 9 REITs, 1 BDC, and private placements
- Certified Financial Planner and Chartered Financial Consultant designations, as well as FINRA Series 7, 24, 63 and 79 licenses



**Stephen Hester, CFA**  
VP Investments, CommonGood Capital

- Ex-director of Due Diligence at two \$200 billion+ independent broker/dealer networks, Ladenburg Thalmann and Advisor Group
- Presented institutional quality investment and risk analysis on opportunities in commercial and residential real estate, tax-driven special situations, private equity, private debt, and energy in over 100 investment committees in the past decade
- Performed full cycle due diligence on offerings from The Blackstone Group, L.P., Bain Capital, Warburg Pincus, Brookfield Asset Management, KKR & Co., Apollo Global Management, The Carlyle Group, L.P., and Neuberger Berman
- BA in Economics and MS in Energy & Earth Resources from the University of Texas at Austin



# TradeBacked Inc

## Overview



TradeBacked is a **specialty finance firm** that provides liquidity services, fully collateralized by inventory, to SMBs having a minimum annual revenue of \$50M.



# The Opportunity



## meet **Mark**

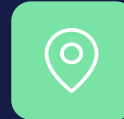
Steel Manufacturer and  
International Trader



**25%**  
Gross Return



**\$200M**  
Annual Sales



**Area**  
USA & Middle East



**Inventory**  
Steel



**Needs**  
Has inventory but needs working  
Capital for growth

# 01

Steel is stored in a secured third party or bonded warehouse

# 02

Mark's company qualifies for TradeBacked underwriting criterion



TradeBacked

# Financing structure

- Financing to Domestic (US) Subsidiary
- Subsidiary has corporate guarantee & Insurance.
- Transactions only in USD.
- Global trades but local jurisdiction
- Inventory insurance by Relm.
- Periodic Valuation of inventory



**Inventory Value**  
\$1,000,000



**Custodian Fee**  
1.5% p.m.



**Contract Amount**  
\$750,000



**Deal Tenor**  
6M



**Loan to Value**  
75% of Certified Value

## Outcomes:

- Mark sells his steel Inventory to TB with a repurchase agreement and receives \$750,000
- TB owns the steel and receives a custodian fee for the duration of the agreement
- At the end of 6 months, the agreement amount is paid off, and Mark once again owns steel



TradeBacked

# General eligibility

Liquid assets – if the company stops paying the interest or is unable to buyback the inventory, we can quickly sell the inventory within our buyer-seller and auction house network.

## Eligible Inventory

- Metals
- Minerals
- Fertilizer
- Luxury goods
- Oil & gas, its associated products and chemicals

**\$100,000**

minimum inventory price

**70%–80%**

purchase discount (LTV)

**\$5,000,000**

maximum inventory price

**1–1.5%**

monthly custodian fee

**3–12 months**

short contract term

**25%**

Maximum allocation to each client and commodities



TradeBacked



# Transaction Process



# TradeBacked Risk Mitigation

## Collateral

custody or clear title to each inventory we fund

## Diversification

Inventory and client exposure is capped at 25%

## Security

Inventory is insured & stored in a bonded warehouse facility

## Authenticity

we utilize external bids & independent appraisers to value our inventory

## Liquidity

we fund inventories which highly liquid in nature & can be traded in open market

## Promissory Notes

We take a promissory note from the client to secure the commodity price movement

## LTV

we fund 70-80% on market value

## Recourse

established buyer-seller network to quickly liquidate any inventory

## Insurance

Bad actor and inventory insurance to secure client defaults



TradeBacked



# TradeBacked

## TB FUND 2

Senior Secured Promissory Notes: 12.5% for 3 years



TradeBacked

Securities offered through CommonGood Securities LLC, member FINRA/SIPC

# \$10,000,000

Offering Amount

# 12.5% Note

Senior Secured Promissory Note

# \$50,000

Minimum Investment

# 5% Sponsor Contribution

First Loss Capital

## TradeBacked Investment Offering

The offering will be backed by a diversified portfolio of inventory or titles under a repurchase agreement.

**Use of Proceeds:** provide capital against inventory for SME businesses

**Risk Mitigation via** collateralized lending; warehousing and physical ownership; secured insurance, Promissory note and Corporate Guarantee

# Paid Quarterly

Interest paid every quarterly

# 1 year Lock-in Period

Investors can liquidate any time after 1<sup>st</sup> Year

5% redemption fee for years 2 and 3




TradeBacked



power your business with

# TRADE.BACKED CAPITAL

THAT **ACTUALLY** WORKS

 BE LOCAL,  
THINK GLOBAL!