

LENDonate CA LLC

Offering Memorandum

August 30, 2024

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Important Notices

In this Offering Memorandum (this “Memorandum”), the issuer, LENDonate CA LLC (“LD”) is offering to sell Payment-Dependent Investment Notes as described below (the “Notes”) to accredited investors (defined below) in an offering under Rule 506(c) of Regulation D.

It is anticipated that investors in the Notes (“Investors”) will be persons and organizations who wish to align their investments with their values of social welfare and responsibility.

To lend/invest, please follow the instructions in the “How to Lend/Invest” section below.

All communication or inquiries relating to these materials or to a possible transaction involving LD should be directed to:

LENDonate CA, LLC
Attention: Vivienne Hsu
Phone: 650-530-0771
Email: vivienne.hsu@lendonate.com
Website: <https://www.lendonate.com/>

The Notes offered hereby are speculative, and investment in the Notes involves a high degree of risk (see “Risk Factors”). Similar to other debt securities, Investors in the Notes must be prepared to bear the economic risk of their investment for a period of at least as long as the duration of the Notes and be able to withstand a total loss of their investment.

Payment-Dependent Investment Notes offered hereby as securities have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or any applicable state or foreign securities laws, nor has the United States Securities and Exchange Commission (the “SEC”) or any state or foreign regulatory authority passed upon the accuracy or adequacy of this Memorandum or endorsed the merits of this offering. Any representation to the contrary shall be deemed unlawful. These securities are offered pursuant to exemptions from registration provided by the Securities Act, certain state securities laws and certain rules and regulations promulgated pursuant thereto.

The Notes are being offered to “accredited investors”, as defined in rule 501 of Regulation D promulgated under the Securities Act, and all investors will be subject to verification by LD of the Investor’s status as an accredited investor. If any recipient of a copy of this memorandum is not qualified as such, such recipient should discard it. Each Investor must also represent that he, she or they can bear the economic risk of losing his/her/their entire investment herein, and has alone, or together with his/her/their purchaser representative (as hereinafter defined), such knowledge and experience in financial matters that he, she or they are capable of evaluating the relative risk and merits of this investment.

This Memorandum does not constitute an offer to sell or solicitation of an offer to buy the Notes in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or

solicitation. This Memorandum does not purport to be all-inclusive or to contain all the information that a prospective Investor desires in investigating LD. Each Investor must conduct and rely on its own evaluation of LD and the terms of the offering, including the merits and risks involved in making an investment decision with respect to the Notes. See the section entitled “Risk Factors” for a discussion of certain factors that should be considered in connection with the purchase of Notes.

The date of this Memorandum is August 30, 2024. Except as otherwise indicated, this Memorandum is current as of the date hereof. Neither the delivery of this Memorandum nor any sale of the Notes shall, under any circumstances, create any implication that there has been no change in the affairs of LD after the date hereof.

Investors shall not construe the contents of this Memorandum as legal, business or tax advice. Each Investor should consult his or her own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning this offering.

Certain provisions of various documents are summarized in this Memorandum, but prospective Investors should not assume that the summaries are complete. Such summaries are qualified in their entirety by reference to the texts of the complete documents.

LD will make available to any prospective Investor, prior to the closing, the opportunity to ask reasonable questions of, and to receive answers from, representatives of LD concerning LD and the terms and conditions of the offering and to obtain any additional relevant information to the extent LD possesses such information or can obtain it without unreasonable effort or expense.

LD reserves the right, in its sole discretion and for any reason whatsoever, to modify, amend and/or withdraw all or a portion of the offering and/or to accept or reject in whole or in part any prospective investment in the Notes or to allot to any prospective Investor less than the amount such Investor desires to invest. LD will have no liability whatsoever to any offeree and/or Investor in the event that any of the foregoing occurs.

In making an investment decision, Investors must rely on their own examination of the company and the terms of the offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is unlawful.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors must be prepared to bear the economic risk of their investment for an indefinite period and be able to withstand a total loss of their investment.

This Memorandum includes certain forward-looking statements with respect to the anticipated future performance of LD. Actual results could differ materially from those in such forward-

looking statements. Therefore, no assurances can be given that the results in such forward-looking statements will be achieved. Important factors that could cause LD's actual results to differ from those contained in such forward-looking statements include, among others, those factors set forth under the section entitled "Risk Factors" contained herein.

FOR ALABAMA RESIDENTS ONLY:

These Securities are offered pursuant to a claim of exemption under the Alabama Securities Act. A registration statement relating to these securities has not been filed with the Alabama Securities Commission. The Commission does not recommend or endorse the purchase of any securities, nor does it pass upon the accuracy or completeness of this private placement memorandum. Any representation to the contrary is a criminal offense.

FOR ALASKA RESIDENTS ONLY:

The Securities offered have not been registered with the Administrator of Securities of the State of Alaska Provisions of 3 AAC 08.500—3 through AAC 08.506. The investor is advised that the Administrator has made only a cursory review of the registration statement and has not reviewed this document since the document is not required to be filed with the Administrator. The fact of the registration does not mean that the Administrator has passed in any way upon the merits, recommended, or approved the securities. Any representation to the contrary is a violation of A.S. 45.55.170.

FOR ARIZONA RESIDENTS ONLY:

The Securities offered hereby have not been registered under the Securities Act of the State of Arizona (the "Arizona Act") and they therefore have the status of securities acquired in an exempt transaction under ARS section 44-1844 of the Arizona Act. The Securities cannot be resold without registration under the Arizona Act or unless an exemption therefrom is available.

FOR CALIFORNIA RESIDENTS ONLY:

These Securities have not been registered under the Securities Act of 1933, as amended, or the California Corporations Code by reason of specific exemptions thereunder relating to the limited availability of the offering. These Securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless subsequently registered under the Securities Act of 1933, as amended, or the California Corporations Code, if such registration is required.

FOR COLORADO RESIDENTS ONLY:

These Securities have not been registered under the Securities Act of 1933, as amended, or the Colorado Securities Act of 1981 by reason of specific exemption thereunder relating to the limited availability of this offering. These securities cannot be sold, transferred or otherwise disposed of to any person or entity unless subsequently registered under the Securities Act of 1933, as amended, or the Colorado Securities Act of 1981, if such registration is required.

FOR CONNECTICUT RESIDENTS ONLY:

These Securities have not been registered under Section 36-495 of the Connecticut Uniform Securities Act and, therefore, cannot be resold unless they are registered under such Act, or unless an exemption from registration is available.

FOR DELAWARE RESIDENTS ONLY:

The Securities have not been registered under the Delaware Securities Act. The Securities are subject to restrictions on transferability and sale. They cannot be sold or transferred except in a transaction which is exempt under such act or pursuant to an effective registration statement under such Act.

FOR FLORIDA RESIDENTS ONLY:

The Securities referred to herein will be sold to, and acquired by, the investor in a transaction exempt under §517.061 of the Florida Securities Act. The shares have not been registered under said Act in the State of Florida. Unless the securities are registered, they may not be reoffered for sale or resold in the state of Florida except in an exempt security or in an exempt transaction under said Act. If the investor is a citizen or resident of the State of Florida and the investor is not a bank, trust company, savings institution, insurance company, dealer, investment company as defined by the Investment Company Act, or pension or profit-sharing trust, the investor acknowledges that any sale of the shares to the investor is voidable by the investor either within three days after the first tender of consideration is made by the investor 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 investor, whichever occurs later. Each person entitled to exercise such right to withdraw and who wishes to exercise such right must cause a written notice or telegram to be sent to the issuer or placement agent within the aforementioned three-day period.

NOTICE TO GEORGIA OFFEREES:

These Securities have not been registered under the Securities Act of 1933, as amended, or the Securities Act of any jurisdiction by reason of specific exemption thereunder relating to the limited availability of this offering. These Securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless subsequently registered under the Securities Act of 1933, as amended, or applicable state securities law, if such registration is required.

NOTICE TO HAWAII OFFEREES:

Neither this memorandum nor the Securities described herein have been approved or disapproved by the Commissioner of Securities of the State of Hawaii, nor has the Commissioner passed upon the accuracy or adequacy of this memorandum.

NOTICE TO ILLINOIS RESIDENTS ONLY:

The Securities have not been approved or disapproved by the Secretary of State of Illinois, or the State of Illinois, nor has the Secretary of state of Illinois or the State of Illinois passed upon the accuracy or adequacy of this memorandum. Any representation to the contrary is a criminal offense.

NOTICE TO INDIANA OFFEREES:

These Securities have not been registered under Section 3 of Chapter 1 of the Indiana Securities Act. The Securities purchased may not be resold without registration under this Chapter or an exemption therefrom.

NOTICE TO KANSAS OFFEREES:

These Securities have not been registered under the Securities Act of 1933, as amended, or the securities act of any jurisdiction by reason of specific exemption thereunder related to the limited availability of the offering. These Securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless subsequently registered under the Securities Act of 1933, as amended, or applicable state securities law, if such registration is required.

FOR KENTUCKY RESIDENTS ONLY:

The Securities presented in this memorandum and subscription documents are being sold pursuant to a claim of exemption from the registration or qualifications provisions of the federal and state securities laws and may not be sold or transferred without compliance with the registration or qualification provisions of applicable federal and state securities laws or applicable exemptions therefrom.

FOR LOUISIANA RESIDENTS ONLY:

The Securities of this offering have not been registered under the Louisiana Securities Law (the "Louisiana Act"), and therefore cannot be resold or transferred by the investor except in a transaction, which is exempt under the Louisiana Act or pursuant to an effective registration statement under the Louisiana Act.

FOR MARYLAND RESIDENTS ONLY:

The Securities referred to herein will be sold to, and acquired by, the purchaser in a transaction exempt under Section 11-602 (9) of the Maryland Securities Act. The Securities cannot be sold or transferred except under such Act or pursuant to an effective registration statement under such Act.

FOR MASSACHUSETTS RESIDENTS ONLY:

These Securities have not been registered under the Securities Act of 1933, as amended, or the Massachusetts Uniform Securities Act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These Securities cannot be sold, transferred, or otherwise disposed of to any person or entity, unless subsequently registered under the Securities Act of 1933, as amended, or the Massachusetts Uniform Securities Act, if such registration is required.

Commonwealth accredited investors, who are natural persons, shall not invest more than 25% of the purchaser's net worth (excluding principal residence and its furnishings). The purchaser's net worth shall include the net worth of his/her spouse, if applicable.

FOR MINNESOTA RESIDENTS ONLY:

These Securities represented by this memorandum have not been registered under the Minnesota Securities Laws and may not be sold, transferred, or otherwise disposed of except to registration or exemption therefrom.

FOR MICHIGAN RESIDENTS ONLY:

These Securities have not been registered under the Michigan blue sky laws. These securities may not be resold without registration under Michigan blue sky law or under an exemption therefrom.

NOTICE TO MISSISSIPPI OFFEREES:

These Securities are offered pursuant to a claim of exemption under the Mississippi Securities Act. A registration statement relating to these Securities has not been filed with the Mississippi Secretary of State. The Secretary of State has not passed upon the value of these Securities and has not approved or disapproved this offering. The Secretary of State does not recommend the purchase of these or any other Securities. There is no established market for these Securities and there may not be a market for these Securities in the future. The subscription price of these Securities has been determined by the company and is not an indication of the actual value of these Securities. The purchaser of these Securities must meet certain suitability standards and be in a position to bear an entire loss of his/her/its investment. These Securities may not be transferred for a period of one year, except in a transaction, which is exempt under the Mississippi Securities Act or any transaction in compliance with the Mississippi Securities Act.

FOR MISSOURI RESIDENTS ONLY:

These Securities have not been registered under the Securities Act of 1933, as amended, or the securities act of any jurisdiction by reason of specific exemption thereunder relating to the limited availability of the of the offering. These Securities cannot be sold, transferred or otherwise disposed of to any person or entity unless subsequently registered under the

Securities Act of 1933, as amended, or applicable state securities laws, if such registration is required.

FOR NEW JERSEY RESIDENTS ONLY:

This private offering memorandum has not been filed with or reviewed by the New Jersey Bureau of Securities of the Department of Law and Public Safety of the State of New Jersey prior to its issuance and use. Neither the Attorney General of the State of New Jersey nor the Bureau of Securities have passed on or endorsed the merits of this offering. Any representations to the contrary are unlawful.

NOTICE TO NEW MEXICO OFFEREES:

The Securities herein are offered pursuant to an exemption from the registration requirements of the Securities Act of New Mexico (the "New Mexico Act"). Accordingly, the New Mexico Securities Bureau has not reviewed the offering of these Securities and has not approved or disapproved this offering. The New Mexico Securities Bureau has not passed upon the value of the Securities or upon the adequacy or accuracy of information contained in this private offering memorandum.

The Securities have not been registered under the New Mexico Act, and therefore cannot be resold in New Mexico unless they are registered under the provisions of the New Mexico Act or unless an exemption from registration is made.

NOTICE TO NEW YORK OFFEREES:

This private placement memorandum has not been reviewed by the Attorney General prior to its issuance and use. The Attorney General of the State of New York has not passed on or endorsed the merits of this offering. Any representation to the contrary is unlawful.

This private placement memorandum does not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements made in the light of the circumstances under which they were made, not misleading. It contains a fair summary of the material terms and documents purported to be summarized herein.

NOTICE TO NORTH CAROLINA OFFEREES:

The Securities are offered pursuant to a claim of exemption under the North Carolina Securities Act. The North Carolina Securities Commissioner neither recommends nor endorses the purchase of any securities, nor has the Administrator passed upon the accuracy of the information provided herein. Any representation to the contrary is a criminal offense.

NOTICE TO OHIO OFFEREES:

These Securities have not been registered under the Ohio Securities Act (the "Ohio Act") and therefore cannot be resold or transferred by the investor except in a transaction which is exempt under the Ohio Act, or pursuant to an effective registration under the Ohio Act.

NOTICE TO OKLAHOMA OFFEREES:

The Securities represented by this certificate have not been registered under the Securities Act of 1933 or the Oklahoma Securities Act (the "Oklahoma Act") and therefore cannot be resold or transferred by the investor except in a transaction which is exempt under the Oklahoma Act or pursuant to an effective registration under the Oklahoma Act.

NOTICE FOR OREGON OFFEREES:

The Securities offered have not been registered with the Corporation Commissioner of the State of Oregon under provisions of OAR 441-65-060 through 441-65-240. The investor is advised that the Commissioner has not reviewed this document since this document is not required to be filed with the Commissioner. The investor must rely on the investor's own examination of the company creating the security and the terms of the offering, including the merits and risks involved in making an investment decision on these Securities.

FOR PENNSYLVANIA RESIDENTS ONLY:

Pursuant to section 207 (4) of the Pennsylvania Securities Act of 1972 (the "Pennsylvania Act"), as amended, each Pennsylvania resident who accepts an offer to purchase securities exempted from registration under section 203 (4) of the Pennsylvania Act, directly from an issuer or an affiliate of an issuer, shall have the right to withdraw his acceptance without incurring any liability to the seller or any other person within two business days from the date of receipt by the issuer of his/her/its written binding contract of purchase or, in the case of a transaction in which there is no written binding contract of purchase, within two business days after he/she/it makes the initial payment for the securities being offered; to accomplish his/her/its withdrawal, a subscriber only needs to send a letter or fax or telegram to the company at the address set forth in the text of this memorandum indicating his/her/its intention to withdraw. Such letter, fax, or telegram must be sent and postmarked prior to the end of the aforementioned second business day. If a letter is sent, it is prudent to send such letter by certified mail, return receipt requested, to ensure that it is received and also to evidence the time when it was mailed. If the request is made orally (in person or by telephone, a written confirmation that the request has been received should be requested.

FOR RHODE ISLAND RESIDENTS ONLY:

Although the Securities herein described have been exempted from registration pursuant to Title 7, Chapter 11 of the Rhode Island General Laws, such exemption does not constitute

approval, recommendation or endorsement by the Rhode Island Department of Business Regulation that the provided herein is true, complete, accurate or not misleading.

FOR SOUTH CAROLINA RESIDENTS ONLY:

These Securities are offered pursuant to a claim of exemption under the South Carolina Uniform Securities Act. A registration statement relating to these Securities has not been filed with the South Carolina Securities Commissioner. The Commissioner does not recommend, nor endorse, the purchase of any securities, nor does it pass upon the accuracy or completeness of this private placement memorandum. Any representation to contrary constitutes a criminal offense.

FOR SOUTH DAKOTA RESIDENTS ONLY:

These Securities are offered for sale in the State of South Dakota pursuant to an exemption from registration under the South Dakota Blue Sky Law, Chapter 47-31B, and with the Director of the Division of Securities of the Department of Commerce and Regulation of the State of South Dakota. The exemption does not constitute a finding that this memorandum is true, complete, and not misleading; nor has the Director of the Division of Securities passed in any way upon the merits of, recommended, or given approval to these Securities. Any representation to the contrary is a criminal offense.

These Securities have not been registered under Chapter 47-31B of the South Dakota securities laws and may not be sold, transferred or otherwise disposed of for value except pursuant to registration, exemption therefrom, or operation of law.

Each South Dakota resident purchasing securities who is not an accredited investor or who is solely an accredited investor by reason of his net worth, income or amount of investment, shall not make an investment in these securities in excess of 20% of his/her/its net worth (exclusive of primary residence, furnishings and automobiles).

REQUESTED FOR TENNESSEE RESIDENTS ONLY:

In making an investment decision, investors must rely on their examination of the issuer and terms and conditions of the offering, including the merits and risk factors.

These Securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy, or determined the adequacy of this document. Any representation to the contrary is a criminal offense. These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they may be required to bear the financial risk of this investment for an indefinite period of time.

FOR TEXAS RESIDENTS ONLY:

Each purchaser of Securities must bear the economic risk of an investment in such Securities for an indefinite period of time prior to any subsequent resale of such Securities, because the Securities have not been registered under the securities laws of Texas or the Securities Act of 1933 and may not be transferred or sold by a purchaser thereof, except in transactions that are exempt from registration under the securities laws of Texas and the Securities Act of 1933 pursuant to an effective registration thereunder.

FOR VIRGINIA RESIDENTS ONLY:

Securities offered in this prospectus have not been registered under the Virginia Securities Act (the “Virginia Act”), and therefore cannot be resold or transferred by the investor, except in a transaction which is exempt under the Virginia Act, or pursuant to effective registration under the Virginia Act.

FOR WASHINGTON RESIDENTS ONLY:

The Administrator of Securities has not reviewed the offering or offering circular and these Securities have not been registered under the Securities act of Washington, Chapter 21.20 RCW, and, therefore cannot be resold unless they are registered under the Securities act of Washington, Chapter 21.20 RCW, or unless an exemption from registration is available.

FOR WISCONSIN RESIDENTS ONLY:

In making an investment decision, investors must rely on their own examination of the issuer and the terms and conditions, including the merits and risk factors involved. The Securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy, or determined the adequacy, of this document. Any representation to the contrary is a criminal offense.

These Securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and applicable state securities laws, pursuant to registration or exemption therefrom. Investor should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

Description of the Offering

LENDONATE CA LLC, a California limited liability company (“LD”), is offering up to \$50,000,000 in Payment-Dependent Investment Notes (“Notes”) to finance loans to 501(c)(3) nonprofit organizations (“NPO”). LD provides an online marketplace lending platform where individuals and institutions can tailor their financial support for Section 501(c)(3) NPOs as investment notes and/or donations. This lending marketplace brings NPO networks together and aligns their social impact mission with the desire of philanthropic minded entities and individuals to contribute to

social good through this single lending platform. The Notes are contingent obligations of LENDonate, and the proceeds are then deployed via loans to NPO Borrowers.

Market Need

Non Profit Lending is an Underserved Trillion Dollar Market Sector

The NPO sector of the U.S. economy is robust and continues to deliver strong and stable growth. According to filings with the IRS, nonprofits report \$2.7 trillion in revenue, \$5.5 trillion in assets and \$750 billion in debt. Relative to the broader economy, the NPO sector is estimated to be approximately 5.6% of U.S. GDP.

Meanwhile, nonprofit funding needs are growing faster than the growth in philanthropic dollars. Based on the most recent report by Nonprofit Finance Fund, 2022 State of the Nonprofit Sector, 71% of the 1000+ NPOs surveyed reported increased demand for their services, and 51% reported client needs have gone unmet due to a lack of resources. The NPO sector is a large, underserved niche that represents significant potential for Investors.

An Inefficient Market in Need of Solutions

Although three-quarters of a trillion dollars in lending to NPOs represents a substantial niche for Investors, the NPO sector currently has limited access to capital due to a fragmented, inefficient market. The operational costs for bank participation in NPO lending are significant, as banks must each build a network of NPOs to find creditworthy borrowers that meet the bank's social criteria. Then, they must perform the necessary research and analysis, as well as the record-keeping and ongoing communication with current borrowers. A centralized platform that facilitates note underwriting, provides empirical credit research, and includes a communication portal for market participants would represent a substantial efficiency gain for banks. The LD lending platform will better match the needs, preferences, and demands of Investors and Borrowers, while increasing the efficiency of the flow of funds to NPOs.

Why Nonprofits Borrow

Like all businesses, having access to credit is essential for many NPOs to execute their missions. Without affordable loan capital, nonprofits may have to forgo growth opportunities, operate in suboptimal real estate space (or pay high rent), or consider predatory loan options.

Nonprofits use borrowed funds to:

1. Make real estate purchases. Approximately 87%¹ of nonprofit debt is used to finance real estate, making this the most common use of a loan by nonprofits. This isn't surprising,

¹ Federal Reserve Statistical Release: Financial Accounts of the United States Third Quarter 2022" Federal Reserve Systems.

since most NPO programs and services are place-based and local to their communities. NPOs often need timely financing to compete for attractive properties, and a good property can make a huge difference in their overall success.

2. Manage cash flow. Many government grants are available on reimbursement systems, where NPOs first perform the work (and incur the costs) and then bill the government or other program sponsors for reimbursement dollars.
3. Expand program services. When an NPO program is successful, demand for their services will increase, just as it might for a small business. But unlike small businesses, NPOs' access to growth capital or seed capital to finance expansion is limited. Availability of bridge-to-grant loans or working capital loans allows the nonprofit to expand without being financially vulnerable.

How it Works: NPO Borrowers and Investors Come Together Through LENDonate

Structure

LD uses a competitive bidding process that is structured to efficiently deliver access to capital to NPOs. By offering standardized investment products (Notes) with investment rates that are customizable by each Investor, as well as a competitive return, LD can reach Investors who may not typically invest in NPOs.

LD structures loans to NPOs that reflect each NPO's capital needs, including a ceiling on the interest rate. LD will make available to Investors a summary of the key terms of the proposed loan. Thereafter, Investors begin the competitive bidding process. Potential Investors will offer the amount they are willing to lend, the interest rate they are willing to receive, and/or any upfront donation during the bidding process.

The priority ranking mechanism is a single expression of the attractiveness of each bid. Generally speaking, donations are more attractive than loans, and lower interest rate offers are more attractive than higher ones. Consequently, if a successful bidder offers an interest rate lower than the ceiling rate, that will have the effect of lowering the rate ultimately paid by the NPO Borrower. The underlying methodology of the priority ranking mechanism may evolve over time. The rate payable by the NPO Borrower under the terms of the loan will be the weighted average of the rates offered by the participants plus a margin of up to 2%. If a loan is oversubscribed, Investors with the most financially favorable terms (determined by the priority ranking mechanism) will be participants in the loan.

The Underlying Financial Mechanics

LD provides the online marketplace that connects the Borrower and Investor, which requires separate and distinct transactions between LD and the Borrower, and between LD and the Investor. For the Investor side of Note issuance, LD issues a payment-dependent investment note

(PDIN) to each Investor. On the Borrower side of the transaction, the NPO signs the underlying Borrower promissory note, prepared by LD. This structure means borrowing proceeds flow from the Investor to LD to the NPO, while repayment proceeds flow inversely from the NPO to LD to the Investor.

LD has established a separate, master escrow bank account where Investor assets are held pending deployment and repayments are received pending disbursement as directed by the Investor. LD also has a detailed, transactions-based ledger system to attribute transactions.

In most cases, the amount an Investor wishes to bid on a Borrower loan must be in the Investor's escrow account before they submit the bid. Typically, this means that an Investor who wants to submit a bid will first transfer funds (via ACH or a wire transfer). Once the bid is submitted, a "hold" is placed in the amount of the bid, and those funds will not be available for any other purpose pending the completion of the bidding process.

In certain circumstances, LD may extend the option of a capital call structure to some Investors. This will allow Investors to submit a bid on a Borrower loan before transferring the funds. Upon each capital call, Investors will have a pre-determined amount of time to transfer the required funds to fulfill their commitment.

An Opportunity to Connect NPO Borrowers with Investors &/or Donors

All registered Investors on LD may donate to the NPO Borrower. However, only Accredited Investors may invest.

An NPO borrower can tell their story on LD's platform and crowdsource from their existing supporters, as well as other LD Investors who are learning about the organization for the first time. Each Investor will be able to make an upfront donation, and can offer to invest through the LD platform at or below the ceiling interest rate. During the life of the loan, Investors may also elect to donate to the Borrower by converting future loan repayments and/or loan capital outstanding to donations. NPO Borrowers will be required to provide periodic program and financial updates to Investors through LD. Individual Investors will be anonymous to other users and to the Borrowers. Investors who wish to donate to an NPO will be identified to the NPO at that time so that the NPO can issue an acknowledgment letter for tax purposes.

The Loan Application Process

The NPO Borrower completes a loan application with the amount of funding requested, program and impact summary and financial history. At a minimum, the Borrower must submit the following required documentation to LD for review:

- IRS determination letter of Section 501(c)(3) status
- Two most recent IRS Form 990 information returns
- Last two years of financial statements (audited, if available)

- Year-to-date financials depending on fiscal year end (internally prepared)
- Most recent debt schedule - original loan amount, outstanding balance, interest rate, monthly payments, maturity date, etc.
- 2 recent bank statements for all accounts

If the loan request is for a property purchase, LD will ask for the property-related documents (e.g., appraisal reports, purchase agreement, architectural drawings, contractor cost estimates and timeline, etc.)

Eligibility to apply for a loan: the organization must be a Section 501(c)(3) nonprofit organization, have at least 3 years of financial history and be in good standing.

LD evaluates the organization's financial strength in supporting this loan based on financial information filed with the IRS and financial reports provided by the Borrower.

LD assesses the creditworthiness of each application to determine an appropriate ceiling interest rate that represents the maximum interest rate that will be paid for this particular Borrower and its stated purpose. The loan campaign is presented to Investors on the marketplace. Investors submit loan bid offers and the bidding system prioritizes more favorable offers until the end of the campaign.

Minimum Loan Amount

LD's loan minimum is \$50,000. While there is not an absolute maximum dollar loan amount, a Borrower's loan maximum is based on the NPO's financial strength, their ability to service debt and the strength of its collateral.

Credit Underwriting and Risk Rating Criteria

LD performs a thorough review of an applicant's information to determine if the applicant qualifies as a good investment risk to list in its marketplace. All extensions of credit must contribute to a sound loan portfolio that maximizes earnings and investors' return with the prudent management of risk. Loans are granted on a nondiscriminatory basis to applicants who meet established credit criteria, subject to the availability of funds and the impact of changes in economic conditions.

The main goal of underwriting is to determine risk. Knowing the amount of risk involved allows for the determination of loan pricing and a decision to accept or reject the financing request. The analysis begins with an assessment of the NPO's business model and financial risk profile, both historical and into the future. The quality of the financial information provided also influences the determination of risk.

General credit underwriting guidelines include, but are not limited to the following:

- Purpose of the credit: are the use of proceeds aligned with the vision and mission of the applicant?
- Financial assessment: based on a 3-year history and current interim; proforma and assumptions as applicable; what is the liquidity, leverage, stability and sustainability of revenue and expenses, relative to the borrowing request?
- Debt service capability: is there sufficient cash flow to service existing and proposed debt financing?
- Assets: amount and quality
- Source of repayment: is this realistic, clearly defined, verifiable and reliable?
- Collateral: to the extent collateral is warranted to support the borrowing request, can it be a perfected lien on the applicant's assets including grants and accounts receivables, inventory, equipment, and a deed of trust on real estate, as appropriate. Other collateral and additional security options are considered as deemed necessary.
- Management experience: what is experience, depth and breadth of leadership and management team?
- Character: what is the applicant's established integrity, character, capacity to pay and historical willingness to perform on business commitments?
- Role in the industry: are the programs and services relevant with meaningful impact to the community it serves? Does the applicant's identity and legal capacity align with their business purpose and LENDonate's legal charter and mission?

From this comprehensive assessment, loan structure, terms and conditions are determined. A composite risk rating is assigned to each loan, which determines the rate and terms for the loan.

The LENDonate Risk Rating is a framework to describe the credit quality of each loan. For most current definition, please refer to the LENDonate website.

Risk Rating	Description
Gold	This loan rating denotes high credit quality. A Gold rating generally means either the borrower has demonstrable excess cash flow and liquidity to support the size of the loan, or the loan is fully secured by strong collateral, or both.
Silver	This loan rating denotes stable credit quality. A Silver rating generally means the borrower has demonstrated either adequate cash flow and liquidity to support the size of the loan, or the loan is secured by verified and documented future earned income, such as accounts receivable or sale of an asset. The loan may also be partially secured by pledged assets.
Bronze	This loan rating denotes acceptable credit quality. A Bronze rating generally means that while the borrower may have acceptable cash flow and liquidity, it is less dependable to support the size of the loan. It could also have documented future earned income, but is less tangible in its outcome, for example, receipt of contract or grant receivables. Liquidity and cash-flow projections may be narrow, and/or market access to refinancing is less established. The loan may also be partially secured by pledged assets.
Starfish	This loan rating denotes a nonstandard credit quality, one that is not quantifiable using traditional credit models. Loans in this category will have unique characteristics that require careful review of the underlying investor risk. A Starfish rating generally means the borrower has mitigating factors worthy of consideration. These factors may include the significant impact this loan will make for the nonprofit or social cause.

Loan Operations

Loan Servicing

Once a successful loan campaign is completed (evidenced by full subscription of Investors offering to invest to a Borrower at rates at or below the ceiling rate), the loan campaign is then closed, pro-rata amounts are communicated to each Investor, and funds are disbursed to the Borrower (less any applicable Borrower fees). LD records all transactions in a transactions-based ledger system to track disbursements to Borrower, funding by Investors, payments by Borrower, and all payments by LD back to Investors.

For more detailed information on the Loan Application and Credit Underwriting process please refer to the LD website.

Non-Performing Loans

In the event a Borrower experiences financial difficulty, marked by a demonstrated and documented inability to repay, we notify our Investors immediately and begin the process of determining repayment terms. LD's goals and economic incentives are aligned with maximizing repayment to the Investors. In extreme cases, maximizing repayment might mean restructuring the terms of repayment to coincide with the NPO's short- and long-term financial ability to repay. LD will remain a key advocate for Investors during the life of the loan.

If restructuring is not a viable option, then the loan will be assigned to a third-party collection firm. The costs of collection will be deducted from any funds recovered before passing them back to Investors. If it is determined that there are no assets to collect, the loan (and any accrued unpaid interest) will be written off by LD. Investors should consult with their own tax advisors on treatment of the investment loss.

Over the past six years, LD has experienced one unrecoverable loan of \$50,000 and a \$400,000 loan is currently in collections.

Record Keeping

LD maintains comprehensive records of each Investor's donation and lending history on the platform, as well as Borrowers' repayment history. For example, an Investor might offer an upfront donation during the bidding process, donate one or more loan repayments or all or part of their capital outstanding, in addition to receiving cash upon repayment of Notes. LD tracks and maintains these records.

Financial Security

As part of its regular business activities, LD will comply with all oversight, regulatory, and tax agencies. For security and transparency, the proceeds from borrowing and lending activities will be held in an escrow account at a custodian bank, separate from funds related to LD's business operations. Professional Partners or service providers consisting of the Accountant, Legal Counsel, and Custodian Bank are detailed in the Professional Partners section of this Offering Memorandum.

Donations

LD may make available to each Investor an opportunity to make a charitable donation of all or a portion of the balance of any Note held by the Investor to (and only to) the Borrower corresponding to that Note. Such a donation will be treated as follows: The current value of the portion of the Investor's Note that the Investor wishes to convert to a donation will be treated as repaid to the Investor and then donated to the Borrower as the equivalent of a cash donation, which will then be automatically credited to the Borrower's loan so that it reduces the balance owed on the loan.

The Borrower, as the recipient of the charitable donation, will be responsible for providing the Investor with an acknowledgment of the charitable donation for the Investor's tax records. Alternatively, the Borrower may authorize LD to provide this acknowledgment on its behalf. The Investor is responsible for obtaining any tax or accounting advice concerning the tax deductibility of any such donation.

Note: retirement funds may not be used for upfront donations, nor may retirement funds be converted from investment notes to donations at any time.

About LENDonate

LENDonate CA LLC ("LD") is a California subsidiary of LENDonate, Inc., a Delaware corporation formed in 2015 (the "Parent"). LD operates with a California Finance Lender's license.

LD's mission is to create financial and technology solutions that amplify the direct impact that changemakers - nonprofits, investors, and others –make in our communities. LD's vision is to transform how investors mobilize capital for the public good.

We are creating a new market that will allow capital to flow more freely in the nonprofit sector. Through an extensive network of Investors and nonprofit organizations, LD seeks to develop a dynamic, expressive marketplace that connects affordable capital with impactful projects.

LD's marketplace lending platform allows individuals and institutions to tailor their financial support for these Section 501(c)(3) NPOs as investment notes, donations or a combination. As the conduit for all financial activities on its platform, LD offers innovative and seamless ways to interact with NPOs, including upfront donations, loans with interest income, and options for Investors to convert some or all of their investment note(s) into donations during the life of the loan.

History

The Parent was formed as an LLC in 2015 and converted to a corporation in Delaware in 2016. It serves as LD's holding company. LD was formed as a California limited liability company to initially focus on the California market because California has a high concentration of both NPOs and potential Investors, and it is also where LD's management team is based.

During its pilot phase from October 2016 to May 2018, LD raised capital in a private offering from California residents and made loans to NPO Borrowers headquartered in California. In April 2018, LD received a California Finance Lender's license.

LD's successful business model was validated in its pilot phase and has since enabled LD to expand its geographic scope. In this current offering, LD seeks to raise capital from Investors throughout the U.S.

Loan Activity and Performance

LD records the lending activity on its balance sheet as Loans Receivable representing the aggregate amount of outstanding loans to Borrowers. There is a corresponding liability for Loans Payable to Investors which represent the amount invested through PDINs by Investors. The loans are primarily comprised of bridge financing in anticipation of committed funding for receipt at a later date and operating or working capital loans to enable the nonprofit Borrower to carry out their stated mission. In some cases, bridge financing is used for real estate projects.

Since 2018 and through June 30, 2024, LD originated 65 loans totaling \$15.4 million to NPOs across the U.S. LD has also served as an advisor in connection with an additional \$68 million in loans to NPOs originated by others. In 2023, LD made 18 loans for \$4.35 million in principal borrowings and in the first half of 2024 LD made 8 loans for \$1.7 million in principal borrowings. Nine of LD's borrowers have received more than one loan from LD, in total amounts borrowed ranging from \$100,000 to \$1.35 million. Over the past six years, LD has experienced one unrecoverable loan of \$50,000 and a \$400,000 loan is currently in collections. From time to time, LD has extended loan forbearance by granting temporary relief or postponement to a Borrower's debt service payments when LD has determined that doing so would maximize the likelihood of the ultimate repayment of the loan.

LENDonate Value Proposition:

Removing marketplace friction to catalyze change and accelerate impact

LD brings together NPOs with Investors so that collectively we make it possible for both NPO Borrowers and Investors to achieve their goals and objectives. LD's lending platform enables NPO Borrowers to fund critical programs and leverage fundraising that bridges timing gaps between the receipt of grants and other funding sources. This can meaningfully reduce delays or interruptions for NPO's which might otherwise limit their ability to meet their NPO objectives. NPOs can obtain affordable loans with greater ease while offering a convenient path for possible loan conversions to donations from these Investors. Investors can meet strategic capital objectives by accessing a new asset class of high-yield fixed-income securities while satisfying their impact objectives.

LD provides additional features to maximize the benefit and impact for both NPO and Investor through our generosity algorithm which optimizes the borrowing rate of a loan resulting in cost reduction to the NPO Borrower while maximizing social impact for the Investor. This algorithm and a detailed NPO borrowing credit-risk assessment performed on loans prior to being offered to Investors are believed to reduce Borrower default or repayment risk.

LENDonate Management Team

Founder and CEO

Vivienne Hsu, CFA® is the founder and CEO of the Parent and serves as Manager of LD. Her vision of a new ecosystem for nonprofit finances was the culmination of her 20+ years of experience as an investment professional and a seasoned nonprofit fundraiser.

Prior to being a social entrepreneur, Vivienne was Senior Vice President at U.S. Trust where she advised clients on a wide range of investments. She served as a Vice President, Senior Portfolio Manager for Charles Schwab Investment Management where she oversaw its active equity strategies and was the lead portfolio manager for the Schwab Hedged Equity Fund. Prior to that, she was Vice President and Portfolio Manager at American Century Investments where she co-managed mutual funds. Rounding out her experience, Vivienne was an investment risk consultant at MSCI Barra and performed pension actuarial work on retirement plans.

In 2011-12, she volunteered full-time as development director at Women's Initiative for Self Employment, fundraising and cultivating corporate relationships. She is currently on the boards of the Los Altos Mountain View Community Foundation, How Women Lead, and Aeris.

She received an MBA from the Haas School of Business at the University of California, Berkeley, where she also received an undergraduate degree in applied mathematics. She is a Chartered Financial Analyst® (CFA) charterholder.

Chief Credit Officer

Gwendolyn Wong is a senior banking executive experienced in senior credit, risk management and advisory roles at U.S. financial institutions including Wells Fargo Bank, California Bank & Trust, First Republic Bank and Silicon Valley Bank, and at international banks ABN-AMRO Bank and The Industrial Bank of Japan, LTD. She is an expert in assessing credit quality, loan portfolio management, and developing risk management strategies. She was the Excellence in Finance Leaders award recipient at the 2019 FiNext Conference, a think tank of leaders creating solutions to bridge the gaps of technology innovation and financial services.

Active in the community and the nonprofit sectors, Gwen has demonstrated leadership skills in board governance, planning and innovation. Gwen has served as National Treasurer for Girl Scouts USA, and Finance Chair for the Association of Junior Leagues International and The United Way of the Bay Area. Locally, she served on the Boards of Professional Business Women of California and the University of San Francisco Women in Leadership & Philanthropy.

Gwen received her MBA-in Quantitative Analytics & Management from the University of San Francisco, her MA in mathematics from Columbia University and her BEd in mathematics from the University of Hawaii.

Chief Operating Officer

Lynette Pang, CFA® joined LENDonate in 2017 after a distinguished career in investment management. She was a member of the disciplined equity team at American Century Investments for 20 years and served as a portfolio manager for over a decade. In addition, she led the Business Continuity team for the department as well as participated as a member of the Corporate Emergency Response team. She especially enjoyed spearheading and organizing inspiring volunteer opportunities for the company's Corporate Social Responsibility program. Prior experience includes performance reporting and analytics and client support at MSCI Barra and State Street Bank. Lynette's commitment to the community includes a variety of volunteer work such as tax return preparer for low-income households, parental support line phone counselor, theatre-maker at community theaters, and training coordinator for classroom music education program. Her nonprofit experience also includes serving as a board member for Stage 1 Theatre (3 years), and Music for Minors II (7 years), and as co-founder of a community garden.

Lynette graduated from the University of California, Davis with a BS in Agricultural and Managerial Economics and a minor in statistics. She is a Chartered Financial Analyst® (CFA) charterholder.

Key LENDonate Advisors

Julie Abrams

Ms. Abrams is CEO of How Women Lead, Managing Partner of How Women Invest and Co-founder of Limitless Bridge Capital. Prior to that, she was the CEO of Women's Initiative for Self Employment and Board Director of Women's Funding Network. She also serves on the board of Nia Impact Capital. She is a leader in the country's movement to build small businesses and is co-author of Scrappy Women in Business.

Janette Chung

Ms. Chung has deep expertise in the global fintech landscape, setting the directions and achieving business objectives for new generations of fintech products. At Alipay, she was instrumental in bridging the payment gap between merchants and at PayPal, she was a key member of the founding team of PayPal Digital Goods. Janette has driven innovations in customer experience, cross-border fund transfers, risk management, and compliance. Janette holds a BSc in Computer Science from the University of Hong Kong and an MBA from Northwestern University's Kellogg School of Management.

Manju Lind

Ms. Lind is a product, messaging, and sales strategy consultant who specializes in helping early stage startups communicate to investors and clients. In her prior experience, she led a variety of product management, marketing, and client education initiatives at BlackRock and MSCI (formerly Barra). She earned simultaneous degrees in chemistry (B.S.) and economics (B.A.) from the University of California, Berkeley and is a Chartered Financial Analyst® (CFA) charterholder.

Melanie Mock

Ms. Mock is a finance leader in the tech sector where she spent more than 30 years raising and restructuring capital to enable companies to survive and thrive during tech market booms and contractions. She most recently was Vice President, Treasurer of Equinix, Inc. where she also co-founded The Equinix Foundation. She received her B.S. in public policy from the University of Southern California and her MBA from Northwestern University's Kellogg School of Management.

Darren Schuringa

Mr. Schuringa is an entrepreneur and venture capitalist passionate about pioneering innovation and driving industry transformation. He is known for founding and scaling several award-winning and industry shaping fintech and financial services ventures. His most recent venture was a finalist for best DEI initiative of 2022. He earned a B.A. in finance from the University of Western Ontario, an MBA from The Crummer School of Business, Rollins College and is a Chartered Financial Analyst® (CFA) charterholder.

Professional Advisors

Pathlight Law – Legal and Compliance

Pathlight Law provides a broad range of legal services to its clients with the intent of supporting its clients through all phases of their journey, ranging from business formation through financing, to supporting ongoing operations and growth planning. Their mission is to support clients who are building more sustainable, regenerative and equitable communities, industries and ecosystems. LD receives legal representation and support through Pathlight's Nonprofit Formation, Compliance and Capital Raising practice group and they assist on multiple matters including financing and preparation of loan documents including the PDIN, Investor Agreement and Borrower Promissory Notes.

myStartUpCFO – Accounting

MyStartUpCFO is an accounting firm that provides CFO advisory, bookkeeping, reporting and financial modeling services to startup entities. MyStartUpCFO provides these services to entities ranging from seed pre-revenue stage to multi-million dollar revenue entities in late stage or pre-IPO operations. They are responsible for the preparation of LD's monthly reporting and bookkeeping services and consolidation for LD financial reporting.

Community Bank of the Bay – Custody and Escrow Account Services

Community Bank of the Bay (CBB) is a local community bank dedicated to serving the five San Francisco Bay Area counties. They are committed to serving the community's financial needs through support of closely held local businesses, nonprofits and community organizations. CBB provides LD's banking operations and serves as the Custodian of the master escrow account which maintains and provides safekeeping of funds on behalf of Investors.

Financial History

*LENDonate CA LLC

Balance Sheet Summary

For the years ending December 31, 2022 and 2023

Balance Sheet Summary	2022	2023
Assets		
Cash	\$15,700	\$10,295
Cash - restricted, held in escrow	\$735,309	\$341,666
Accounts Receivable	\$100	\$100
Other Current Assets	-	\$0
Loans Receivable from Borrowers	\$6,438,679	\$6,534,336
Investments	\$302,212	\$0
Total Assets	\$7,492,000	\$6,886,397
Liabilities		
Accounts Payable	\$0	\$193
Other Current Liabilities	\$1,104,687	\$1,232,277
PDIN Payable to Investors	\$6,438,685	\$6,534,336
Restricted Cash Payable to Investors	\$785,420	\$218,329
Founder's Note	\$309,140	\$321,140
Total Liabilities	\$8,637,932	\$8,306,275
Total Equity	-\$1,145,932	-\$1,419,878
Total Liabilities & Equity	\$7,492,000	\$6,886,397

Profit and Loss Summary

For the years ending December 31, 2022 and 2023

Income Statement Summary	2022	2023
Revenue	\$79,558	\$92,417
Expenses	\$297,112	\$366,024
Net Ordinary Income	-\$217,554	-\$273,607
Other Income	\$2,244	\$12,460
Other Expense	\$9,940	\$12,800
Net Income/Loss	-\$225,249	-\$273,947

*LENDonate CA LLC is a wholly owned subsidiary of LENDonate, Inc. The financial statements presented here are of the subsidiary, the entity making the offering. There may be related business revenue and expenses in the parent organization not reflected in these results.

Primary Revenue Streams

Borrower Fee: This fee is assessed on the Borrower for the origination of the loan at 2% of the total amount raised. The fee is deducted from the loan disbursement proceeds and does not include certain third-party fees. If the Borrower wishes to refinance or restructure a loan on the LD platform, a similar fee will be assessed on what is regarded as a new transaction.

LD Interest Margin: LD seeks to maintain a 2% net interest margin (or “spread”) on each loan it makes. This margin is the difference between the interest payable by the Borrower to LD and the total interest payable by LD to all investors in PDINs associated with that Borrower note.

Donation Processing Fee: This fee of 2% is charged to the recipient NPO and will be deducted at the time donations are deposited into NPO’s account, along with loan proceeds. However, LD will not collect any fees when an Investor elects to convert an outstanding loan to a donation.

Late Payment Fees of \$35 will be assessed to Borrowers when a payment is 15 calendar days late. If payment is 30 calendar days late or more, Borrower will be charged 10% of the regularly scheduled payment.

Risk Factors

The risk factors set forth in this Memorandum do not include all of the risks relative to an investment of this type or to a particular investment. These risk factors contain forward-looking statements that involve significant risks and uncertainties. Discussions containing such forward-looking statements may be found in the “Risk Factors” section below and elsewhere in this

Memorandum generally. The Issuer's actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors. Prospective Investors, therefore, should not rely solely on this information in evaluating the merits of this investment, but should consult with their own attorneys, accountants or other advisors to the extent they deem appropriate.

Economic Risks

Investment notes are non-recourse obligations dependent for payment on performance of the underlying Borrower loan. The Payment-Dependent Investment Notes are not general obligations of LD but depend on the performance of the underlying Borrower loan. If the NPO Borrower fails to make one or more payments on its loan, LD will have no obligation to make the corresponding payments on the Payment-Dependent Investment Note until the Borrower makes the required payments. An Investor who loses some or all of their investment because of a default on the underlying Borrower loan will have no direct recourse against either LD or the NPO Borrower unless other remedies are implemented such as the filing of a security interest against Borrower's collateral.

Investment notes are neither secured nor guaranteed. The underlying Borrower loan may, in some cases, be secured or guaranteed, but the Payment-Dependent Investment Note will be neither secured nor guaranteed unless otherwise indicated. In the event a Borrower defaults, LD intends to take reasonable enforcement measures, which may include foreclosing on collateral or calling guarantees; but Investors will have no legal rights against any collateral or to enforce any guarantee and will depend entirely on LD's enforcement efforts.

NPO Borrowers are subject to economic conditions (systematic default risk). Loan default rates may be significantly affected by economic downturns or general economic conditions beyond the control of LD or NPO Borrowers. In particular, default rates on Loans on which the Notes are dependent may increase due to factors such as prevailing interest rates, the rate of unemployment, the level of consumer confidence, real estate values, the strength of the U.S. dollar, energy prices, disruptions in the credit markets and other factors.

Inflationary increases in a Borrower's cost of operations may increase the risk of default. During inflationary or hyper-inflationary periods, NPO revenue may not be able to keep up with cost of operation, which impedes an NPO's ability to repay its debt.

Systematic interest rates decrease (reinvestment risk). When market interest rates decrease, Borrowers tend to prepay debt obligations and refinance with better terms. When an NPO Borrower prepays the principal on its note, the Payment-Dependent Investment Notes are also prepaid, which reduces or eliminates the anticipated future interest payments. In a declining interest rate environment, Investors may therefore need to reinvest their funds at a lower expected return for the same level of risk.

Regulatory and Legal Risk

Changes in the regulatory environment could place heavy burdens on crowdfunding operators (regulatory risk). The Issuer's operations are subject to federal, state, county, local, and other regulations that are subject to change without notice. In addition, there may be other legal, tax and/or regulatory changes that we may or may not be able to foresee that may materially affect us. For example, if the IRS tax code changes such that donation tax deductibility becomes less favorable, NPO may suffer from a reduction of revenue as a result. Ability to support existing debt may be reduced.

Any use of LD's platform for illegal or inappropriate purposes could harm LD. LD will take reasonable measures to ensure its platform is not used for money laundering or funding for illegal activities. However, if such inappropriate or illegal use occurs on LD's platform, LD may be the subject of a regulatory or even criminal investigation, which would have costly consequences for LD, and could also cause damage to LD's reputation, which would make it difficult for LD to attract Borrowers or Investors.

Investment Risk

There is no public market for the Notes.

The Notes described in this Memorandum have not been registered under the Securities Act of 1933 ("Securities Act"), or under the various "Blue Sky Laws" of the states of residence of the Investors. The Notes are being offered only to institutions and individuals who are "Accredited Investors" pursuant to the exemptions in the Securities Act and the rules of the Securities and Exchange Commission. The Notes may be acquired for investment purposes only and not with a view to resale or distribution. Such securities are "restricted securities" and cannot be resold without registration under the Securities Act unless an exemption from registration is available. Because the Notes are not readily transferable, an Investor's ability to pledge the Notes as collateral for loans may be limited, and the restrictions on transfer even if permitted could reduce the price of the Notes in any permitted sale. Accordingly, an investment in Notes is suitable only for Investors who have no need for liquidity with respect to their investment.

Notes are speculative, and Investors could lose all or a portion of their principal.

Notes are speculative in nature and are highly risky because payments on Notes depend entirely on payments to LD of obligations of NPO borrowers and contemporaneous payments on the Notes, which are special, limited obligations of LENDonate. Notes are suitable purchases only for Investors of adequate financial means.

If the NPO borrower fails to make a required payment on a Loan within 30 days of the due date, LD will pursue reasonable collection efforts in respect of the Loan. LD may handle collection efforts in respect of a delinquent Loan, or it may refer a delinquent Loan to a collection agency on or after the 31st day of its delinquency. These efforts will be considered reasonable collection efforts, but outcomes will vary and may be entirely unsuccessful.

If payments on the corresponding Loan become overdue, it is more likely Investors will not receive the full principal and interest payments that they expect due to collection fees and other costs, and they may not recover any of their original purchase price.

Information supplied by NPO Borrowers may be inaccurate or intentionally false. Borrowers supply a variety of information that is included in the Borrower loan listings on LD website. Although LD intends to take reasonable measures to verify such information and check for accuracy, it will not be possible to guarantee the accuracy of information supplied by Borrowers, and it is possible that some loans could be made on the basis of erroneous information.

LD's underwriting criteria may not fully capture actual risk. Because our underwriting criteria are based upon historical data, projected performances and the assessment of management which may change over time, the actual performance of a loan may differ materially from expectations. Moreover, risk ratings may also deviate from forecast, previously issued, similarly rated loans and may result in a greater risk of loss of investment capital than anticipated.

Information about a Borrower may be inaccurate or incomplete. Financial Information that we receive about an NPO borrower may be incomplete, inaccurate or may not accurately reflect the Borrower's creditworthiness, which may cause Investors to lose part or all of the purchase price for a Note.

A loan rating assigned to a Borrower may not reflect that Borrower's actual creditworthiness because available information may be outdated, incomplete or inaccurate reported data, and we do not independently verify the information obtained from public sources and data providers. Additionally, there is a risk that, following the date of the data that we obtain and review, a Borrower may have:

- become delinquent in the payment of an outstanding obligation;
- defaulted on a pre-existing debt obligation;
- taken on additional debt; or
- sustained other adverse financial events.

A Borrower's bankruptcy could lead to the loss of an investment. Borrowers may seek protection under federal bankruptcy law or similar laws. If a Borrower files for bankruptcy (or becomes the subject of an involuntary petition), a stay will go into effect that will automatically put any pending collection actions on hold and prevent further collection action absent bankruptcy court approval. When a Loan is in bankruptcy status, whether any payment will ultimately be made or received on a Loan after a bankruptcy status is declared, depends on the Borrower's particular financial situation and the determination of the court. It is possible that the Borrower's liability on the Loan will be discharged in bankruptcy. In most cases involving the bankruptcy of a Borrower with an unsecured Loan, unsecured creditors, including LD as holder of the Loan, will receive only a fraction of the amount outstanding on the Loan, if anything.

A guarantor's collateral could suffer unexpected loss in value. Some Notes offered on the LD platform are backed by guarantors' assets, set aside in an escrow account or in the form of

pledged assets. In those cases, the Investor's probability of loss may be related to the value of those assets because in the event of default, the guarantor will be first given a chance to replace collateral with cash, if they did not want the collateral to be sold. Otherwise, the collateral will be liquidated to repay Investors.

If the collateral value has dropped below the outstanding balance, the guarantor will be asked to make up the difference (mark-to-market). If the guarantor is unwilling or unable, Investor may lose some of their principal and accrued interest, if the Borrower ends up unable to meet debt obligation.

A guarantor's assets securing a Loan could be subject to third-party claims. A guarantor's assets that are pledged as security for a Loan may be subject to claims by third parties due to litigation, divorce, or other situations where a court could freeze a guarantor's assets. In such an event, LENDonate may not be able to use collateral as intended to secure repayment and may seek an alternate guarantor. If there are no other guarantors and the Borrower becomes delinquent on the loan, a previously secured loan may become unsecured.

LD Business Risks

General economic conditions can hurt LD. LD's ability to raise capital and effectively deploy capital in loans to NPOs is dependent on economic conditions in general, and factors that affect the nonprofit, real estate, and banking sectors in particular. LD cannot be spared from the damaging effects of poor economic conditions.

LD may be unable to reach sustainable scale and need to cease operation. LD's business model relies on economies of scale. If LD is unable to achieve the necessary scale, due to competition, lack of funding, or any other reason, LD may have no choice but to cease operations. In the case of LD's liquidation, LD may seek to sell the remaining portion of its Notes to another company, in which case, the value of existing Notes would be determined by the new company, which could result in losses to Investors.

Third-Party Risk Transfer

Legal Counsel has assisted with the preparation of this Memorandum but has not conducted due diligence nor verified statements with respect to this Offering.

While the Issuer has utilized the services of PathLight Law (formerly known as Cutting Edge Counsel) for the drafting of this Memorandum, and PathLight Law is advising the Issuer on what is necessary to have an exemption from registering the sale of the Notes under the Securities Act of 1933, as amended, Investors should be aware that PathLight Law has had a limited scope of drafting this Memorandum, and has not passed on the accuracy nor conducted due diligence with regard to the representations made in this Offering. PathLight Law does not represent individual Note Holders. Note Holders should seek independent counsel in connection with their investment decisions.

LD is subject to operational risk. LD may outsource certain operational functions to third-party providers, including but not limited to, anti-money laundering checks, funds transfer, and lending technology platform provider. Although LD takes various precautionary steps to prevent operational failure by working with each provider on contingent procedures, these failures may lead to delay in account access or fund transfer.

LD is subject to security risk. LD intends to operate an online portal, which may be vulnerable to a variety of risks, including cybercrime and other types of malicious behavior, which could lead to a range of adverse outcomes, ranging from temporary suspensions of service to theft of Investor personal information.

There is no assurance that LD will be able to raise the funds necessary to sustain and expand its operations. LD may need to raise substantial funds to cover its operating expenses, particularly during its early years. Adequate funds for ongoing operations and other purposes may not be available when needed, or on terms acceptable to LD. LD's inability to obtain sufficient funds from operations and external sources could have a material adverse effect on results of operations or financial condition.

THE PURCHASE OF THE SECURITIES INVOLVES A HIGH DEGREE OF RISK WHICH RENDERS THIS INVESTMENT SUITABLE ONLY TO PERSONS OF ADEQUATE MEANS WHO HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT. THEREFORE, IN ADDITION TO THE MATTERS SET FORTH ELSEWHERE IN THIS OFFERING MEMORANDUM, PROSPECTIVE INVESTORS SHOULD CONSIDER THE FOLLOWING FACTORS CAREFULLY BEFORE MAKING A DECISION TO PURCHASE:

Forward Looking Statements.

This Memorandum contains forward-looking statements that involve future events, future performance and expected future operations and actions. In some cases potential note holders can identify forward-looking statements 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 predictions and involve numerous assumptions, risks and uncertainties. Actual results or actions could and likely will differ materially from these forward-looking statements for many reasons, including the assumptions not occurring or the events set forth in the risk factors section and appearing elsewhere in this memorandum, and events that are beyond control. LD is not under any duty to update the forward-looking statements contained in this Memorandum. LD cannot guarantee future results, levels of activity, performance or achievements. Note holders should not put undue reliance on any forward-looking statements, which speak only as of the date of this Memorandum.

How to Lend/Invest on the LD Platform

1. Review this Offering Memorandum, including all appendices.
2. Register for an account on LENDonate.com. Investor's execution of LD's Investor Agreement will be required.
3. If your account registration is accepted, you will be notified that your account is activated. (LD reserves the right to reject any prospective investment, in whole or in part, for any reason.)
4. Anyone can donate but only Accredited Investors may lend. To verify your Accredited Investor status, go to the Investor Status section of the LD website and follow the prompts.
5. After Accredited Investor status has been confirmed by LD and Investor's Agreement has been signed, you may transfer funds to LD.
6. When you identify a Borrower loan you wish to support, make a bid on that loan. (The amount in your escrow account must be at least the amount you are bidding.)
7. During the bidding period, the amount you have bid will be unavailable for other uses.
8. If you are a successful bidder on that loan, the funds will be advanced to the NPO borrower.
9. LD will send you your Note for that investment upon your request.
10. Interest and principal repayments (less any applicable fees) can be viewed on your Investor dashboard. These funds can be reinvested in other NPO loans or returned to you.

Description of the Notes

The following is a description of the Notes offered by this Offering Memorandum. This is not a complete description, and Investors should refer to the Note set forth in the Appendices to this Offering Memorandum for more detail.

Payment Dependent on Underlying Borrower Note

The Notes are payment-dependent investment notes, which means that Investors will be paid principal or interest on the Notes only if and when principal or interest are received by LD on the Borrower loan associated with the Note.

No Voting or Conversion Rights

An investment in the Notes is a loan to LD and is not an equity investment. It is not convertible into any other type of security. It carries no voting rights. LD holds all decision-making rights with respect to the management of its loan portfolio.

Restrictions on Transferability

LD does not restrict transfer of the Notes. However, any transfer must comply with applicable securities laws, and LD may require an opinion of Investor's counsel to the effect that a proposed transfer complies with all applicable securities laws. The Notes are "restricted securities" under applicable securities laws, and Investors are strongly encouraged to seek legal counsel before attempting to transfer a Note.

No Revocation

Once a loan bid has been submitted to LD, it may not be revoked without the consent of LD.

Tax Considerations

Investors have access to their investment income and donation activities on the platform. They are advised to consult their own tax consultants for tax-deductibility of donations. The following is general information on what will be provided:

LD will issue to Investors an IRS Form 1099INT (or, if applicable, a 1099OID) after the end of each year, reflecting all interest earned. Information about interest will also be reported to the U.S. Internal Revenue Service as income to the Investor.

Under federal tax law, the interest that accrues on the Notes may be treated as original issue discount (OID) because it is contingent on payments being received on the underlying Borrower Note. Investors may be required to include OID as ordinary interest income on such interest as it accrues even if it is actually paid in a subsequent tax period, and regardless of the Investor's method of tax accounting. Investors are encouraged to consult their own tax advisors for additional information and guidance on the tax treatment of the Notes.

Restrictions

Withdrawal, Cancellation or Modification

THIS OFFERING IS MADE SUBJECT TO WITHDRAWAL, CANCELLATION, OR MODIFICATION BY LD WITHOUT NOTICE. OFFERS TO INVEST IN THIS OFFERING MAY BE REJECTED IN WHOLE OR IN PART BY LD AND NEED NOT BE ACCEPTED IN THE ORDER RECEIVED. LD RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF THE SECURITIES SUCH INVESTOR DESIRES TO PURCHASE. LD SHALL HAVE NO LIABILITY WHATSOEVER TO ANY OFFEREE AND/OR INVESTOR IN THE EVENT THAT ANY OF THE FOREGOING SHALL OCCUR.

THE STATEMENTS IN THIS MEMORANDUM ARE MADE AS OF THE EFFECTIVE DATE UNLESS OTHERWISE SPECIFIED.

No Warranty of Projections or Assumptions

Projections concerning the business or financial affairs of LD that may be provided to prospective Investors, including without limitation those set forth in this Memorandum and its exhibits and Appendices, are for illustrative purposes only. These projections are based upon assumptions that management of LD believes to be reasonable. However, there can be no assurance that actual events will correspond to the assumptions, and the projections should be viewed merely as financial possibilities based on the assumptions stated and not as a prediction or guarantee of future performance. The assumptions upon which these projections are based should be carefully reviewed by each prospective Investor. Projections or conclusions regarding the financial condition of LD, including projections regarding the profitability, may be substantially adversely affected by variances from the assumptions made.

Forward-Looking Statements

This statement is being included in connection with the safe harbor provision of the Private Securities Legislation Reform Act. THIS MEMORANDUM CONTAINS FORWARD LOOKING STATEMENTS. FROM TIME TO TIME, ADDITIONAL WRITTEN FORWARD LOOKING STATEMENTS MAY BE MADE BY LD. SUCH FORWARD LOOKING STATEMENTS ARE WITHIN THE MEANING OF THAT TERM IN SECTION 27A OF THE SECURITIES ACT AND MAY INCLUDE PROJECTIONS OF REVENUES, INCOME OR LOSS, CAPITAL EXPENDITURES, BUSINESS RELATIONSHIPS, FINANCINGS, PROPOSED FINANCINGS OR INVESTMENTS BY THIRD PARTIES, PRODUCT DEVELOPMENT, PLANS FOR FUTURE OPERATIONS, PLANS RELATING TO PRODUCTS OF LD, AS WELL AS ASSUMPTIONS RELATING TO THE FOREGOING. SUCH STATEMENTS ARE BASED UPON MANAGEMENT'S CURRENT EXPECTATIONS, BELIEFS, AND ASSUMPTIONS ABOUT FUTURE EVENTS, AND ARE OTHER THAN STATEMENTS OF HISTORICAL FACT AND INVOLVE A NUMBER OF RISKS AND UNCERTAINTIES.

THE WORDS "BELIEVE," "EXPECT," "INTEND," "ANTICIPATE," "ESTIMATE," "PROJECT," AND SIMILAR EXPRESSIONS IDENTIFY FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE THE STATEMENT WAS MADE, BUT ARE NOT THE EXCLUSIVE MEANS OF IDENTIFYING SUCH STATEMENTS. FORWARD-LOOKING STATEMENTS ARE INHERENTLY SUBJECT TO RISKS AND UNCERTAINTIES, SOME OF WHICH CANNOT BE PREDICTED OR QUANTIFIED. FUTURE EVENTS AND ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN, CONTEMPLATED BY, OR UNDERLYING THE FORWARD-LOOKING STATEMENTS. STATEMENTS IN THIS MEMORANDUM - INCLUDING THOSE CONTAINED IN THE SECTION ENTITLED "RISK FACTORS" - DESCRIBE FACTORS, AMONG OTHERS, THAT COULD CONTRIBUTE TO OR CAUSE SUCH DIFFERENCES.

EXHIBIT A: PAYMENT-DEPENDENT INVESTMENT NOTE TEMPLATE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR ANY STATE SECURITIES LAWS, AND HAS BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

PAYMENT DEPENDENT

INVESTMENT NOTE

LENDONATE CA LLC

No. _____

Investor: _____

Corresponding Borrower Note: _____

Stated Principal Amount of this Note: \$ _____

Aggregate Principal Amount of this Series of Notes: \$ _____

Interest Rate: _____

Original Issue Date: _____

Maturity Date: _____

This Note is one of a series of Payment Dependent Investment Notes ("**Series Notes**") issued by LENDonate that are associated with the Corresponding Borrower Note identified above, and payments upon which are dependent on payments made on the Corresponding Borrower Note.

LENDonate CA LLC, a California limited liability company (the "**Company**"), for value received, hereby promises to pay to the party identified as the "Investor" above (the "**Investor**"), principal and interest on this Note in U.S. dollars in an amount equal to the Investor's pro rata share of the Borrower Payments on each Payment Date until the Maturity Date. The Investor's

pro rata share of a Borrower Payment shall be determined as follows: First, LENDonate will deduct from each Borrower Payment (a) the Company's margin of 2% per year; and (b) any collection expenses incurred in connection with Borrower Payments received as a result of successful collection efforts. The remainder of such Borrower Payment will then be allocated by the Company in its sole discretion between interest and principal. With respect to any portion of the Borrower Payment that the Company treats as a payment of interest on the Corresponding Borrower Note, the Investor's pro rata share of such portion is represented by a fraction the numerator of which is the interest that would be owed to the Investor based on the Interest Rate indicated above, and the denominator of which is the aggregate interest that would be owed to all Investors of the Series Notes based on the interest rate indicated in all such Series Notes. With respect to any portion of the Borrower Payment that the Company treats as a payment of principal on the Corresponding Borrower Note, the Investor's pro rata share is represented by a fraction the numerator of which is the unpaid principal balance of this Note and the denominator of which is the aggregate principal balances of all Series Notes.

For the avoidance of doubt, this Note represents a special limited obligation of the Company, and (1) no payments of principal and interest on this Note shall be payable unless the Company has received Borrower Payments, and then only to the extent of the amount of Borrower Payments received by the Company, and (2) no Investor on this Note shall have any recourse against the Company unless, and then only to the extent that, the Company has failed to pay such Investor his or her pro rata share of the Borrower Payments or has otherwise breached a covenant of this Note. The principal and interest payable on any Payment Date will be paid to the party in whose name this Note is registered at the close of business on the Record Date next preceding such Payment Date.

For purposes of this Note:

"ACH System" means the Automated Clearing House system of the U.S. Federal Reserve Board or a successor system providing electronic funds transfers between banks.

"Borrower" means the organization that is the obligor on the Corresponding Borrower Loan.

"Borrower Payments" means all amounts that the Company receives, and not reversed through the ACH System, in connection with the payment of the Loan Obligations, including, without limitation, all payments or prepayments of principal and interest, any late fees and any cash amounts received by the Company upon collection efforts; provided, however, that Borrower Payments shall not include any Unsuccessful Payment Fees received by the Company in respect of such Loan Obligations or any collection fees imposed in connection with collection efforts on a delinquent Loan Obligation by the Company or by a third-party collection agency.

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which (1) the ACH System is closed or (2) banking institutions are

authorized or obligated by law or executive order to close in San Francisco, California or New York, New York.

“Corresponding Borrower Loan” means the Borrower Loan whose revenues will fund Borrower Payments.

“Investor Agreement” means the Investor Agreement between LENDonate and the Investor, as in effect from time to time.

“LENDonate” means LENDonate CA LLC, a California limited liability company.

“Loan Obligations” means the payment obligations of the Borrower to the Company in respect of the financing of the Corresponding Borrower Loan by the Company or by a third party that has assigned such payment obligations to the Company.

“Payment Date” means the scheduled payment date for an installment of principal or interest on this Note.

“Record Date” means the second Business Day immediately preceding each Payment Date.

“Unsuccessful Payment Fee” means any fee imposed by the Company or its agent in respect of any Loan Obligations when the Company’s payment request is denied for any reason, including, but not limited to, non-sufficient funds in the Borrower’s bank account or the closing of such bank account.

All payments of principal and interest on this Note due to the Investor shall be made in U.S. dollars, in immediately available funds, by intra-institution book entry transfer to the Investor’s designated sub-account in an escrow account that LENDonate maintains at a bank for the benefit of persons who maintain accounts on LENDonate’s investment platform.

All U.S. dollar amounts used in or resulting from the calculation of amounts due in respect of this Note shall be rounded to the nearest cent (with one-half cent being rounded upward).

An **“Event of Default”** shall be deemed to occur if:

1. the Company defaults in the payment of any amount when due and payable hereunder and such default continues for a period of 60 days; or
2. the Company files a petition in bankruptcy or for any form of debtor relief under any present or future law relating to bankruptcy or debtor relief; or such a filing or petition is filed against the Company and the Company either consents to or does not oppose such filing or petition, or such petition is not dismissed within sixty (60) days after filing; or the Company consents to the appointment or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator, or similar official of Borrower or for any

substantial part of Borrower's property; or Borrower makes an assignment for the benefit of its creditors.

If an Event of Default specified in paragraph (b) above occurs and is continuing, the principal of this Note shall become and be immediately due and payable without any declaration or other act on the part of the Investor, notwithstanding any other provision of this Note.

This Note is not entitled to any sinking fund. This Note is not redeemable at the option of the Investor.

The Series Notes are in registered form without coupons. This Note may not be transferred and the transfer of this Note shall not be registered as provided in the Investor Agreement unless, at the time of the transfer, the transferee has an active account for purchasing notes on the Company's online platform. Upon due presentment for registration of transfer of this Note at the office, accompanied by a written instrument of transfer in form satisfactory to the Company duly executed by the Investor or the Investor's attorney electronically or in writing, a new Note or Notes for an equal aggregate principal amount and like interest rate and maturity will be issued to the transferee in exchange therefor, without charge except for any stamp tax or other governmental charge imposed in connection therewith. Any such transfer is subject to compliance with applicable securities laws, as described in the Offering Memorandum for this Note, and the Company may require an opinion of the Investor's legal counsel or other documentation sufficient to establish, in the Company's sole discretion, that such transfer is in compliance with all applicable securities laws.

The Company and any paying agent may deem and treat the registered Investor hereof as the absolute owner of this Note at the Investor's address as it appears on the Company's register books as kept by the Company or the Company's duly authorized agent (whether or not this Note shall be overdue) for the purpose of receiving payment of or on account hereof and for all other purposes, and neither the Company nor any paying agent shall be affected by any notice to the contrary. All payments made to or upon the order of such registered Investor shall, to the extent of the sum or sums paid, effectively satisfy and discharge liability for moneys payable on this Note.

No recourse under or upon any obligation, covenant or agreement contained in this Note, or because of any indebtedness evidenced thereby, shall be had against any incorporator, or against any past, present or future member, officer, manager or agent, as such, of the Company, either directly or through the Company, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or penalty or otherwise, all such personal liability of every such incorporator, member, officer, manager or agent, as such, being expressly waived and released by the acceptance hereof and as a condition of and as part of the consideration for the issuance of this Note.

This Note shall be governed by and construed in accordance with the laws of the State of California, without regard to any principle of conflict of laws that would require or permit the application of the laws of any other jurisdiction.

IN WITNESS WHEREOF, LENDonate CA LLC has caused this instrument to be signed by its duly authorized officer.

Dated: _____

LENDONATE CA LLC

By: _____

Name: _____

Title: _____

EXHIBIT B: INVESTOR AGREEMENT

LENDonate Investor Agreement

Updated August 30, 2024

The following terms constitute a binding agreement (“Agreement”) between you and LENDonate CA LLC., a California limited liability company (“LENDonate”, “we” or “us”). If you are executing this Agreement on behalf of an entity, the term “you” includes such entity. This Agreement will govern all purchases or other acquisitions of Payment-Dependent Investment Notes (“Notes”) that you may make from time to time through LENDonate or any other entity, person, or platform. Please carefully read this Agreement, the terms of use (“Terms of Use”), privacy policy, and the Offering Memorandum on LENDonate’s website at www.lendonate.com. Print and retain a copy of these documents for your records. By signing electronically below, you agree to the following terms together with the Terms of Use (including its provisions for binding arbitration of disputes), consent to our privacy policy, and agree to transact business with us and receive communications relating to the Notes electronically.

If you are purchasing or otherwise acquiring Note(s) through any other entity, person, or platform (i.e., means other than through our website), you agree to be bound by the terms of this Agreement and the Note(s) as if you had purchased the Notes directly through our website.

The Notes are being offered in an offering under Rule 506(c) of Regulation D under the 1933 Securities Act. The offering is made by an Offering Memorandum (“PPM”), as supplemented by a summary of each loan proposed to be made by LENDonate (“Summary”).

By signing this agreement, you acknowledge that:

1. the PPM has been made available to you, electronically or otherwise;
2. you have had ample opportunity to read and understand the PPM;
3. you are able to protect your own interests in connection with any investment in the Notes because of either (1) your preexisting personal or business relationship with LENDonate or any of its officers, controlling persons, or member-appointed managers, or (2) your business or financial experience, or (3) the business or financial experience of your professional advisers who are unaffiliated with and who are not compensated by LENDonate or any affiliate or selling agent of LENDonate, directly or indirectly;
4. you are purchasing for your own account (or a trust account if you are a trustee) and not with a view to or for sale in connection with any distribution of a Note; and

5. any Notes you have purchased or may purchase or acquire, regardless of whether such purchase or acquisition is through LENDonate or any other entity, person, or platform, are issued pursuant to and subject to the terms of the PPM.

From time to time we may update the PPM. In addition, we will make available to you a Supplement for each loan that we propose to make. You understand and agree that your purchase of Notes on or after the date that we have made any such Supplement available constitutes your acknowledgement that you have had ample opportunity to read and understand the revised PPM (including the Supplement) and that any Notes you purchase, regardless of whether such purchase is through LENDonate or any other entity, person, or platform, are issued pursuant and subject to the terms of the revised PPM and the Supplement corresponding to the Note. We may make changes to this Agreement from time to time. If we do this, we will post the revised Investor Agreement in your LENDonate account or on our website (if applicable, a third-party entity or platform will be responsible for posting the changed Investor Agreement in your third-party account), or we will deliver (or the applicable third-party entity or platform will be responsible for delivering) the changed Investor Agreement to your email address in accordance with sections 15 and 16 of this Agreement. **The date the Investor Agreement was last revised will be indicated at the top of the Agreement.** You understand and agree that if you continue to place orders of Notes on or after the date that we have made any such changes (regardless of whether you place the order(s) through LENDonate or any other entity, person, or platform), such order placement constitutes your acceptance of and agreement to the terms of the new Investor Agreement.

In consideration of the covenants, agreements, representations and warranties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Purchase of Notes. Subject to the terms and conditions of this Agreement, we will provide you (either directly through our website or indirectly via a third-party entity, person, or platform) the opportunity through our website:

- To review requests for loans (“NPO Loans”) that LENDonate has received from proposed nonprofit borrowers (collectively, “Borrowers”);
- To purchase Notes initially in amounts not less than \$1,000 (one-thousand dollars) through our website, each such Note corresponding to, and dependent for payment on, a specific Borrower Loan you designate; and
- To instruct LENDonate to apply the proceeds from the sale of each Note to fund the corresponding Borrower Loan.

A Borrower Loan may be originated directly by LENDonate or by a third-party bank or other lender (an “Originator”) and acquired by LENDonate. You can only commit to purchase a Note prior to the origination of the corresponding Borrower Loan by us or the Originator. At the time you commit to purchase a Note, unless LENDonate agrees otherwise in a specific instance, you must have sufficient funds in your applicable investment account (either in your LENDonate account or in your account with the third-party entity, person, or platform, as applicable) to complete the purchase, and you will not have access to those funds after you make a purchase commitment

unless and until LENDonate notifies you (either directly or indirectly) that the Borrower Loan will not be issued or that your bid was not successful because other bids by Investors proposing more favorable terms were sufficient to meet the target for that Borrower Loan. Once you make a purchase commitment, it is irrevocable regardless of whether or not the full amount of the Borrower loan request is funded. If the Borrower Loan is not issued by us or an Originator, then LENDonate will inform you and release you from your purchase commitment.

2. Issuance. If you have committed to purchase a Note pursuant to the terms of the last paragraph of section 1 and your bid is successful, the Note will be sold to you (either directly or indirectly) immediately after LENDonate originates or purchases the corresponding Borrower Loan.

Borrower Loans are generally originated when the aggregate amount of Investor commitments equal the full amount of the loan requested by the Borrower unless (1) the Borrower declines the Borrower Loan, in which case LENDonate will release you from your commitment to purchase a corresponding Note; (2) the Borrower Loan request receives insufficient investment commitments during the Borrower Loan posting period; or (3) the loan request is canceled by LENDonate for reasons relating to the operation and integrity of our website (i.e. there is attempted fraud, the Borrower fails to verify information upon request by LENDonate, etc.).

3. Terms of the Notes. All Notes purchased or acquired through our website or any other entity, person or platform will have the terms and conditions described in the PPM and the form of Note.

The terms of each Borrower Loan will be contained in a loan agreement and promissory note for that Borrower Loan and will be summarized in the Supplement for that Borrower Loan. Certain terms, including the interest rate and loan amount, will be determined in the manner described in the PPM. If you are purchasing or acquiring a Note indirectly through a platform or entity other than LENDonate, please note that LENDonate is not responsible for information provided by such platform. You understand and acknowledge that we may in our sole discretion, at any time and from time to time, amend or waive any term of a Borrower Loan, and we may in our sole discretion take remedial action with respect to loans that are delinquent.

PAYMENT ON THE NOTES, IF ANY, DEPENDS ENTIRELY ON THE RECEIPT OF PAYMENTS BY LENDONATE FROM THE RESPECTIVE BORROWER(S) IN RESPECT OF THE CORRESPONDING BORROWER LOAN. LENDONATE DOES NOT WARRANT OR GUARANTEE IN ANY MANNER THAT YOU WILL RECEIVE ALL OR ANY PORTION OF THE PRINCIPAL OR INTEREST YOU EXPECT TO RECEIVE ON ANY NOTE OR REALIZE ANY PARTICULAR OR EXPECTED RATE OF RETURN. THE AMOUNT YOU RECEIVE ON YOUR NOTE, IF ANY, IS LIMITED TO A PRO RATA SHARE OF THE PAYMENTS MADE BY OR ON BEHALF OF THE BORROWER UNDER A BORROWER LOAN TO WHICH YOU COMMITTED, NET OF THE FOLLOWING: (A) LENDONATE'S MARGIN OF 2% PER YEAR, AS IT MAY BE PRORATED ON A DAILY OR MONTHLY BASIS, AND (B) ANY COLLECTION EXPENSES INCURRED IN CONNECTION WITH BORROWER PAYMENTS RECEIVED AS A RESULT OF SUCCESSFUL COLLECTION EFFORTS. IN ADDITION, IF YOU ARE INDIRECTLY PURCHASING OR ACQUIRING A NOTE THROUGH A PLATFORM OR ENTITY OTHER THAN LENDONATE, THE AMOUNT YOU RECEIVE ON YOUR NOTE, IF ANY, MAY ALSO BE LESS ADDITIONAL SERVICE AND/OR TRANSACTION FEES CHARGED BY THE PLATFORM

OR ENTITY, AS SUCH FEES ARE OUTLINED IN YOUR AGREEMENT(S) WITH SUCH PLATFORM OR ENTITY. LENDONATE DOES NOT MAKE ANY REPRESENTATIONS AS TO A BORROWER'S ABILITY TO PAY AND DOES NOT ACT AS A GUARANTOR OF ANY CORRESPONDING BORROWER LOAN PAYMENT OR PAYMENTS BY ANY BORROWER.

4. Donations. We may make available to you an opportunity to make a charitable donation of all or a portion of the balance of any Note you hold to (and only to) the Borrower corresponding to that Note. Such a donation will be treated as follows: The current value (as determined in our sole, but reasonable, judgment) of the portion of your Note that you wish to convert to a donation will be treated as re-paid to you and immediately donated by you to the Borrower as the equivalent of a cash donation, which will then be automatically credited to the Borrower's loan so that it reduces the balance owed on that loan. The full amount of your Note that you wish to convert to a donation will be deducted from the balance on your Note, even if the amount deemed received by the Borrower as a donation is less (which may occur, for example, where the Borrower loan is in default or otherwise not fully collectible, in our judgment). The Borrower, as the recipient of the charitable donation, will be responsible for providing you an acknowledgement of the charitable donation for your tax records; some Borrowers may authorize us to issue such acknowledgement letters on their behalf. You are responsible for obtaining any tax or accounting advice to the tax deductibility of any such donation.

You agree that any donations made through LENDonate will be considered unrestricted funds for the nonprofit organization unless otherwise noted on our website.

5. Your Covenants and Acknowledgements. You agree that you have no right to, and will not, make any attempt, directly or through any third party, to contact or collect from the Borrowers on your Notes or the corresponding Borrower Loans. YOU UNDERSTAND AND ACKNOWLEDGE THAT BORROWERS MAY DEFAULT ON THEIR PAYMENT OBLIGATIONS UNDER THE BORROWER LOANS AND THAT SUCH DEFAULTS WILL REDUCE THE AMOUNTS, IF ANY, YOU MAY RECEIVE UNDER THE TERMS OF ANY NOTES YOU HOLD ASSOCIATED WITH SUCH BORROWER LOANS. You and LENDonate agree that the Notes are intended to be indebtedness of LENDonate for U.S. federal income tax purposes. You agree that you will not take any position inconsistent with such treatment of the Notes for tax, accounting or other purposes, unless required by law. You further acknowledge that the Notes may be subject to the original issue discount rules of the Internal Revenue Code of 1986, as amended. You acknowledge that you are prepared to bear the risk of loss of your entire purchase price for any Notes you purchase, regardless of whether you purchase the Notes through LENDonate or any other entity, person, or platform. You agree that any information you may provide to us, whether directly or indirectly, may be used by us in accordance with the terms of our privacy policy. You further acknowledge that any personal data and information that you may provide to a third-party entity or platform may be shared with us in accordance with the terms of our agreements with such third parties, and such personal data and information may also be used by us in accordance with the terms of our privacy policy.

6. Your Financial Suitability Acknowledgments, Representations, Warranties, and Covenants. You understand that the Notes will not be listed on any securities exchange, that there may be no

trading platform for the Notes, that any trading of Notes must be conducted in accordance with federal and applicable state securities laws and that you should be prepared to hold the Notes you purchase until the Notes mature. Furthermore, if you purchase or otherwise acquire and hold Notes indirectly through a third-party entity or platform, you understand and acknowledge that you are prepared to hold the Notes that you purchase until the Notes mature, regardless of whether the relationship between LENDonate and such third party is terminated prior to maturity of the Notes. In such case, you agree to be bound by the terms of this Agreement as a direct holder of Notes (i.e., as if you had purchased the Notes directly through our website) and agree to cooperate with LENDonate in order to activate and utilize your LENDonate account (rather than your third-party account) for purposes of holding the Notes until maturity.

In addition, you acknowledge that you may fund your LENDonate account by authorizing a debit to your bank account. If the ACH transaction is rejected for any reason including insufficient funds, you may be charged a \$35 fee by LENDonate. You acknowledge that withdrawal requests from your LENDonate account will be limited to once per calendar quarter. Additional requests of withdrawal of funds beyond this limit may result in a fee. You understand that transfers can take up to 5 business days for funds to settle into a designated bank account.

7. LENDonate's Representations and Warranties. LENDonate represents and warrants to you, as of the date of this Agreement and as of any date that you commit to purchase Notes (regardless of whether you are committing to purchase Notes through LENDonate or any other applicable entity, person or platform), that: (a) it is duly organized and is validly existing as a limited liability company in good standing under the laws of California and has power to enter into and perform its obligations under this Agreement; (b) this Agreement has been duly authorized, executed and delivered by LENDonate; (c) the Notes have been duly authorized and, following payment of the purchase price by you and electronic execution, authentication and delivery to you (which, for the avoidance of doubt, will include purchases through any other applicable entity, person or platform), will constitute valid and binding obligations of LENDonate enforceable by you against LENDonate in accordance with their terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency or similar laws; (d) it has complied in all material respects with applicable federal, state and local laws in connection with the offer and sale of the Notes; and (e) LENDonate has made commercially reasonable efforts to verify the identity of the Borrowers obligated on the Borrower Loans that correspond to the Notes.

8. Your Representations and Warranties. You represent and warrant to LENDonate, as of the date of this Agreement and as of any date that you commit to purchase Notes (regardless of whether you are committing to purchase Notes through LENDonate or any other applicable entity, person or platform), that: (a) you have the power to enter into and perform your obligations under this Agreement; (b) this Agreement has been duly authorized, executed and delivered by you; (c) you are committing to purchase Notes only for your own account and are not acquiring Notes for the account of any other person, whether directly or indirectly; (d) all personal information you have provided to LENDonate in connection with your LENDonate account, including but not limited to your name, current residential address and Social Security number or taxpayer identification number, is complete and accurate; (e) you have received the PPM and the

form of the Note; (f) in connection with this Agreement, you have complied in all material respects with applicable federal, state and local laws; and (g) you have made your decisions in connection with your consideration of any loan requests on our website in compliance with the Equal Credit Opportunity Act, 15 U.S.C. 1601 et seq., as implemented by Regulation B, as may be amended from time to time, and any applicable state or local laws, regulations, rules or ordinances concerning credit discrimination.

9. Prohibited Activities. You agree that you will not do the following, in connection with any loans, Notes, or other transactions involving or potentially involving LENDonate:

- a. Represent yourself to any person, as a director, officer, employee or affiliated person of LENDonate, unless you are such director, officer or employee;
- b. Charge, or attempt to charge, any Borrower any fee in exchange for your agreement to purchase or recommend a Borrower's Borrower Loan listing, or propose or agree to accept any fee, bonus, additional interest, kickback or thing of value of any kind, in exchange for your agreement to purchase or recommend a Borrower's Borrower Loan listing;
- c. Directly contact the Borrower about the Loan in any manner;
- d. Engage in any activities in connection with a Borrower Loan that require a license as a loan broker, credit services organization, credit counselor, credit repair organization, lender or other regulated entity, including but not limited to soliciting loans or loan applications, quoting loan terms and rates and counseling Borrowers on credit issues or loan options; or
- e. Violate any applicable federal, state or local laws, including but not limited to, the Equal Credit Opportunity Act and other fair lending laws, the Truth in Lending Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Federal Trade Commission Act, federal and state consumer privacy laws, state usury and loan fee statutes, state licensing laws and state unfair and deceptive trade practices statutes.

10. No Advisory Relationship. You acknowledge and agree that the purchase and sale (or other acquisition) of the Notes contemplated by this Agreement is an arms-length transaction between you and LENDonate. In connection with the purchase and sale (or other acquisition) of the Notes, LENDonate is not acting as your agent or fiduciary. LENDonate assumes no advisory or fiduciary responsibility in your favor in connection with the purchase and sale (or other acquisition) of the Notes. LENDonate has not provided you with any legal, accounting, regulatory or tax advice with respect to the Notes. You have consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate.

11. Limitations on Damages. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOST PROFITS OR SPECIAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHERMORE, NEITHER PARTY MAKES ANY REPRESENTATION OR WARRANTY TO THE OTHER REGARDING THE EFFECT THAT THIS

AGREEMENT MAY HAVE UPON THE FOREIGN, FEDERAL, STATE OR LOCAL TAX LIABILITY OF THE OTHER.

12. Further Assurances. The parties agree to execute and deliver such further documents and information as may be reasonably required in order to effectuate the purposes of this Agreement.

13. Entire Agreement. Except as otherwise expressly provided herein, this Agreement represents the entire agreement between you and LENDonate regarding the subject matter hereof and supersedes all prior or contemporaneous communications, promises and proposals, whether oral, written or electronic, between us.

14. Notices. All Disclosures will be transmitted to you in accordance with your consent to electronic transmission as provided in LENDonate's Terms of Use, and will be deemed to have been duly given and effective upon transmission or posting (whether delivered directly by LENDonate or indirectly by the applicable third-party entity or platform). All notices, required disclosures and other communications from the Trustee to you will be transmitted to you only by email to the email address you provided during registration (as such address is updated in accordance with the Terms of Use). Unless otherwise provided in this Agreement, you will send all notices or other communications required to be given hereunder to LENDonate via email at support@lendonate.com.

15. Miscellaneous. The terms of this Agreement will survive until the maturity of the Notes purchased by you. Notwithstanding the foregoing, LENDonate may in its sole discretion, with or without cause, immediately and without prior notice, take one or more of the following actions: (i) terminate this Agreement by giving you notice pursuant to the Terms of Use and section 14 of this Agreement; or (ii) terminate or suspend your right to purchase Notes or otherwise participate on the LENDonate platform immediately and without notice. Any Notes you purchase or acquire prior to the effective date of any such action by LENDonate will remain in full force and effect in accordance with their terms.

The parties acknowledge that there are no third party beneficiaries to this Agreement. You may not assign, transfer, sublicense or otherwise delegate your rights or responsibilities under this Agreement to any person without LENDonate's prior written consent. Any such assignment, transfer, sublicense or delegation in violation of this section will be null and void. This Agreement will be governed by the laws of the State of California without regard to any principle of conflict of laws that would require or permit the application of the laws of any other jurisdiction. Any waiver of a breach of any provision of this Agreement will not be a waiver of any subsequent breach. Failure or delay by either party to enforce any term or condition of this Agreement will not constitute a waiver of such term or condition. If at any time subsequent to the date hereof, any of the provisions of this Agreement are held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision will be of no force and effect, but the illegality and unenforceability of such provision will have no effect upon and will not impair the enforceability of any other provisions of this Agreement. The headings in this Agreement are for reference purposes only and will not affect the interpretation of this Agreement in any way.

16. Indemnification by You. In addition to your indemnification obligations set forth in LENDonate’s Terms of Use, you agree to indemnify, defend, protect and hold harmless LENDonate, any affiliates, any subsidiaries and their respective officers, directors, members, shareholders, employees and agents (the “LENDonate Parties”) against all claims, liabilities, actions, costs, damages, losses, demands and expenses of every kind, known or unknown, contingent or otherwise, (i) resulting from any material breach of any obligation you undertake in this Agreement, including but not limited to your obligation to comply with applicable laws; or (ii) resulting from your acts, omissions and representations (and those of your employees, agents or representatives) relating to the LENDonate Parties. Your obligation to indemnify the LENDonate Parties will survive termination of this Agreement, regardless of the reason for termination.

17. Arbitration.

a. Either party to this Agreement may, at its sole election, require that the sole and exclusive forum and remedy for resolution of a Claim be final and binding arbitration pursuant to this section 17 (the “Arbitration Provision”). As used in this Arbitration Provision, “Claim” will include any past, present or future claim, dispute or controversy involving you (or persons claiming through or connected with you), on the one hand, and LENDonate (or persons claiming through or connected with LENDonate), on the other hand, relating to or arising out of this Agreement, any Note, our website and/or the activities or relationships that involve, lead to or result from any of the foregoing, including (except to the extent provided otherwise in the last sentence of section 17(f) below) the validity or enforceability of this Arbitration Provision, any part thereof, or the entire Agreement. Claims are subject to arbitration regardless of whether they arise from contract; tort (intentional or otherwise); a constitution, statute, common law or principles of equity; or otherwise. Claims include matters arising as initial claims, counter-claims, cross-claims, third-party claims or otherwise. The scope of this Arbitration Provision is to be given the broadest possible interpretation that is enforceable.

b. The party initiating arbitration will do so with the American Arbitration Association (the “AAA”) or JAMS. The arbitration will be conducted in San Francisco, California, in accordance with the rules and policies of the administrator selected, except to the extent the rules conflict with this Arbitration Provision or any countervailing law. In the case of a conflict between the rules and policies of the administrator and this Arbitration Provision, this Arbitration Provision will control, subject to countervailing law, unless all parties to the arbitration consent to have the rules and policies of the administrator apply.

c. All filing costs and administrative fees (including hearing fees) will be paid in accordance with the rules of the administrator selected, or in accordance with countervailing law if contrary to the administrator’s rules. Each party will bear the expense of its own attorneys’ fees, except as otherwise provided by law. If a statute gives you the right to recover any of these fees, these statutory rights will apply in the arbitration notwithstanding anything to the contrary herein.

d. Within 30 days of a final award by the arbitrator, any party may appeal the award for reconsideration by a three-arbitrator panel selected according to the rules of the arbitrator

administrator. In the event of such an appeal, any opposing party may cross-appeal within 30 days after notice of the appeal. The panel will reconsider de novo all aspects of the initial award that are appealed. Costs and conduct of any appeal will be governed by this Arbitration Provision and the administrator's rules, in the same way as the initial arbitration proceeding. Any award by the individual arbitrator that is not subject to appeal, and any panel award on appeal, will be final and binding, except for any appeal right under the Federal Arbitration Act ("FAA"), and may be entered as a judgment in any court of competent jurisdiction.

e. We agree not to invoke our right to arbitrate an individual Claim you may bring in Small Claims Court or an equivalent court, if any, so long as the Claim is pending only in that court. NO ARBITRATION MAY PROCEED ON A CLASS, REPRESENTATIVE OR COLLECTIVE BASIS (INCLUDING AS PRIVATE ATTORNEY GENERAL ON BEHALF OF OTHERS), EVEN IF THE CLAIM OR CLAIMS THAT ARE THE SUBJECT OF THE ARBITRATION HAD PREVIOUSLY BEEN ASSERTED (OR COULD HAVE BEEN ASSERTED) IN A COURT AS CLASS REPRESENTATIVE, OR COLLECTIVE ACTIONS IN A COURT. Unless consented to in writing by all parties to the arbitration, no party to the arbitration may join, consolidate, or otherwise bring claims for or on behalf of two or more individuals or unrelated corporate entities in the same arbitration unless those persons are parties to a single transaction. Unless consented to in writing by all parties to the arbitration, an award in arbitration will determine the rights and obligations of the named parties only, and only with respect to the claims in arbitration, and will not (a) determine the rights, obligations or interests of anyone other than a named party, or resolve any Claim of anyone other than a named party; nor (b) make an award for the benefit of, or against, anyone other than a named party. No administrator or arbitrator will have the power or authority to waive, modify or fail to enforce this section 17(e), and any attempt to do so, whether by rule, policy, arbitration decision or otherwise, will be invalid and unenforceable. Any challenge to the validity of this section 17(e) will be determined exclusively by a court and not by the administrator or any arbitrator.

f. The arbitrator may award damages or other types of relief permitted by applicable substantive law, subject to the limitations set forth in this Arbitration Provision. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court. The arbitrator will take steps to reasonably protect confidential information.

g. This Arbitration Provision will survive (i) suspension, termination, revocation, closure or amendments to this Agreement and the relationship of the parties; (ii) the bankruptcy or insolvency of any party or other person; and (iii) any transfer of any loan or Note or any other promissory note(s) which you owe, or any amounts owed on such loans or notes, to any other person or entity. If any portion of this Arbitration Provision other than section 17(e) is deemed invalid or unenforceable, the remaining portions of this Arbitration Provision will nevertheless remain valid and in force. If an arbitration is brought on a class, representative or collective basis, and the limitations on such proceedings in section 17(e) are finally adjudicated pursuant to the last sentence of section 17(e) to be unenforceable, then no arbitration will be had. In no event will any invalidation be deemed to authorize an arbitrator to determine Claims or make awards beyond those authorized in this Arbitration Provision.

THE PARTIES ACKNOWLEDGE THAT THEY HAVE A RIGHT TO LITIGATE CLAIMS THROUGH A COURT BEFORE A JUDGE, BUT WILL NOT HAVE THAT RIGHT IF ANY PARTY ELECTS ARBITRATION PURSUANT TO THIS ARBITRATION PROVISION. THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO LITIGATE SUCH CLAIMS IN A COURT UPON ELECTION OF ARBITRATION BY ANY PARTY.

18. Waiver of Jury Trial. THE PARTIES HERETO WAIVE A TRIAL BY JURY IN ANY LITIGATION RELATING TO THIS AGREEMENT, THE CORRESPONDING BORROWER LOAN OR ANY OTHER AGREEMENTS RELATED THERETO.

Signature

Date