

THIS INSTRUMENT HAS BEEN ISSUED PURSUANT TO SECTION 4(A)(6) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND NEITHER IT NOR ANY SECURITIES ISSUABLE PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED BY RULE 501 OF REGULATION CROWDFUNDING UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR EXEMPTION THEREFROM.

VICTORY LITIGATION FUND I

CERTIFICATE OF PARTICIPATION AGREEMENT

This Certificate of Participation Agreement (this “**Agreement**”) is entered into on or about _____ by and among Victory Litigation Fund I, a Delaware Limited Partnership (the “**Seller**”) and each of the buyers who execute a signature page hereto (each, a “**Buyer**”) for the respective amounts set forth thereon (the “**Purchase Price**”).

WHEREAS, the Seller will originate claims as described in the Seller’s Form C (the “**Claims**”);

WHEREAS, Seller has engaged or will engage law firms (together with any successor or supplementary counsel, “**Law Firm**”) to litigate these Claims, including any refiling, counterclaim, appeal, settlement, enforcement action, arbitration, or other action or process related to the thereto (collectively, the “**Lawsuits**”) in exchange for the Contingency Fee and reimbursement of Law Firm’s unpaid Claims Expenses;

WHEREAS, the purpose of Seller’s entry into the Agreement and the related Master Services Agreement to Law Firm attached as **Exhibit A** (the “**MSA**”) is to provide funding in an aggregate amount of up to \$5,000,000 (the “**Offering**”) before payment of fees and commissions incurred in connection with the Offering, to Seller for certain operating and other expenses related to the Lawsuits and the Offering;

WHEREAS, each of the Buyers wish to invest the Purchase Price to fund the Issuer’s business, facilitate the prosecution of Claims originated by said Purchase Price, and to participate in the Litigation Proceeds (as defined below) if the Claims are successful to receive the Investment Returns set forth on **Schedule I** attached hereto; and

WHEREAS, each of the Buyers acknowledges and agrees that its financing of the Purchase Price is nonrecourse and the rights to Litigation Proceeds purchased hereunder (i) shall be of no value if there are no Proceeds received from the Final Determination of the Lawsuits unless otherwise provided herein and further (ii) shall be of no value, or the value will be

reduced, if Proceeds received from the Final Determination of the Lawsuits are insufficient to repay Buyers in full or at all subsequent to payment of Law Firm's Contingency Fee and reimbursement of Law Firm's unpaid Claims Expenses.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of the Buyers and the Seller, intending to be legally bound, hereby agree as follows:

1. **Definitions.** The following capitalized terms shall have the following meanings:

"Award" means the total monetary amount owed to the Seller on account of or as a direct or indirect result of the Claims, whether by negotiation, arbitration, mediation, lawsuit, judgment, settlement, or otherwise. For the avoidance of doubt, "Award" includes both cash and the monetary value of non-cash assets at the time the Award is paid, and it excludes the value of injunctive, declaratory, or other non-monetary relief.

"Certificate of Participation" ("COP") is a financial instrument, issued by the Seller, which grants the Buyer a fractional interest in the Seller's litigation proceeds as delineated in the accompanying Certificate Schedule I. This fractional interest aligns with the concept of a revenue share, entitling the Holder to a proportionate distribution of the proceeds obtained through the Seller's legal successes.

- (i) Repayment of the COP is discussed in its own section and may be negatively impacted by a successful motion to dismiss.
- (ii) The COP may employ traditional securityholder record keeping methods and/or may have its shareholder records maintained in a distributed ledger format consistent with traditional record keeping standards.
- (iii) The COP may be subject to transfer restrictions, limiting the ability of the holder to assign or sell the instrument to third parties without prior consent or compliance with applicable financial securities regulations.

"Claims Expenses" means the sum of all fees, costs and expenses (including and any other professional fees and expenses, whether for attorneys, advisors, experts, or witnesses; and procedural fees relating to court, arbitration, or other process, including filing and arbitrator fees; provided that the amounts in each case are approved by Law Firm) incurred or accrued by the Seller in prosecuting, defending and/or settling the Lawsuits.

"Closing Date" means the final closing date of the Offering as determined by Section 4(a)(6).

"Contingency Fee" means the following tiered contingency fee the Seller has agreed to pay the Law Firm in the event that there is a monetary recovery from the Lawsuits, which Contingency Fee, as defined in the MSA, together with Law Firm's unpaid Claims Expenses,

will be payable before the Investment Return.

“**Deposit Account**” means the Law Firm’s trust account where the Purchase Price payable under the Agreements will be deposited.

“**Entity**” means any individual, partnership, corporation, limited liability company, association, estate, trust, business trust, governmental authority, fund, investment account, or other person or entity.

“**Final Determination**” means the final resolution of the Lawsuits, whether by settlement, the entry of a non-appealable final judgment against the Seller, or the enforcement of a final, non-appealable judgment in favor of the Seller.

“**Fund Administrator**” means the individual or entity appointed by the Seller and designated in Exhibit C.

“**Holdback Period**” means the period commencing as of the date the Litigation Proceeds are received in the Proceeds Account (the “Receipt of Proceeds”) up to and until the expiration of the Litigation Proceeds Claims Period, or, if earlier, such time as Seller’s obligations to the Buyers have been satisfied in full.

“**Indebtedness**” means, without duplication, all items that constitute (a) indebtedness for borrowed money or the deferred purchase price of property (other than trade payables incurred in the ordinary course of business); (b) obligations arising under letter of credit facilities, bonds, notes or other instruments; (c) all liabilities secured by any encumbrance on any of Seller’s property (other than mechanics’, repairmen’s or other like non-consensual statutory encumbrances arising in the ordinary course of business with respect to obligations that are not past due); and/or (d) all guarantees or other liabilities with respect to any indebtedness of any other Entity.

“**Investment Return**” means Seller’s right to Litigation Proceeds set forth in **Schedule I**.

“**IRC**” means the Internal Revenue Code of 1986, as amended, and the regulations in effect thereunder.

“**Litigation Proceeds**” means the net cash Proceeds received by the Seller on account or as a direct or indirect result of the Claims, after the payment of the Contingency Fee and all Claims Expenses.

“**Litigation Proceeds Claims Period**” means the period commencing on the date of the Receipt of Proceeds and continuing until 5:00pm EST on the date that is the first anniversary thereafter.

“**MTD Milestone**” means the entry of an order in the Lawsuits resolving one or more motions to dismiss against the Seller that has the effect of dismissing all claims against all

defendants, with prejudice, *i.e.* without the ability to file an amended complaint.

“**Pro Rata Distributions**” means the product of the Investment Returns multiplied by the quotient resulting from dividing the total number of Certificate of Participation held by a Buyer by the total number of Certificate of Participation issued by the Seller.

“**Proceeds**” means (i) any and all value received to satisfy the Award, if the Award results from settlement or other negotiated agreement, and (ii) any and all value received to satisfy the Award, less any state, federal, or international taxes owed on such value, if the Award is a judgment, order, or other determination by an independent party, such as a court or arbitrator.

“**Proceeds Account**” means the trust account established by the Law Firm and administered in accordance with the MSA.

“**Securities Act**” means the Securities Act of 1933, as amended from time to time, or any successor legislation, and any regulations or rules promulgated thereunder.

“**Transfer**” or “**Transferred**” means, (A) means to give, sell (directly or indirectly) exchange, assign, transfer, pledge, hypothecate, bequeath, devise or otherwise dispose of or encumber, voluntarily or involuntarily, by operation of law or otherwise.

2. **Payment of Purchase Price.** With respect to each Buyer, the Purchase Price for the Transferred Interest shall be as set forth on the signature page hereto provided that the aggregate amount of COPs issuable to Buyers, exclusive of COPs issuable, including the payment of fees and commissions in connection with the Offering, shall not exceed 5,000,000.

3. **Issuance of COPs.** Within 60 days of the Closing Date, Seller shall cause the purchased COPs to be sent to the Buyers. Buyers will receive an COP for every dollar of Purchase Price. For example, if the Purchase Price is \$100, the Buyer will receive 100 COPs.

4. **Payment of Investment Return.** Seller agrees to pay each Buyer (or their respective Transferees) the Investment Return on the Transferred Interest set forth on **Schedule I** hereto (“**Investment Return**”) in accordance with and subject to the limitations set forth herein, including without limitation, Section 5(a) below. The payment of the Investment Return shall be facilitated by the distribution and use of COPs and the Investment Return shall be paid if and only if (i) any Litigation Proceeds are allocated and distributed and (ii) the Buyer or its security holder follows the Claims Procedures. Buyers understand and acknowledge that not every case originated by Seller and Law Firm will proceed past the Motion to Dismiss Milestone, and that not every case originated will result in an Investment Return for Buyers.

a. In the event there is a recovery of Litigation Proceeds such that the Buyers are entitled to the Investment Return, the Seller will direct Law Firm to pay the Investment Return to each Buyer or its security holder.

- b. The Fund Administrator shall receive and hold, on behalf of Seller, all Litigation Proceeds. The Fund Administrator shall account for all Litigation Proceeds, and cause to be distributed to Seller the management fee as defined in Schedule I and Pro Rata Distribution to Buyer.
 - i. As soon as reasonably practicable after the receipt of Litigation Proceeds, the Fund Administrator shall, at the expense of Seller, cause to be prepared a balance sheet of the Seller and a related statement of income, loss, change in financial of the Seller, Investment Returns, and Pro Rata Distributions to Buyer.
 - ii. Upon reasonable notice from Buyer and for any purpose reasonably related to such Buyer's interest, the Fund Administrator shall afford Buyer and Buyer's representatives' access during normal business hours to the organizational, financial, and similar records, reports, and documents of the Seller and shall permit Buyer and such Buyer's representatives to examine such documents and make copies thereof at such Buyer's cost and expense.

In the event payment is due pursuant to Section 5(a) prior to the issuance of the COPs pursuant to Section 4, Seller shall, via the Fund Administrator, make prompt issuance of the COPs *provided* that if the Seller fails to do so within thirty (30) days of an executed settlement agreement, dismissal of the Lawsuits, or recovery of Litigation Proceeds, as applicable, the Seller will use commercially reasonable efforts to make these payments to holders of this instrument by establishing an online process for holders to submit claims for payment. Individuals will be able to submit claims for payment in accordance with instructions to be provided by the Seller.

5. ***Representations and Agreements by Seller.*** The Seller represents, warrants, agrees and covenants to the Buyers that:

- a. This Agreement constitutes a legal, valid and binding agreement of the Seller enforceable against it in accordance with its terms.
- b. Seller is the sole and beneficial owner of, and has good title to, the claims and all rights to Litigation Proceeds.
- c. The Seller covenants and agrees to cooperate in the prosecution of the Claims. Specifically, the Seller will cause its managers, officers, executives, and employees to promptly and fully assist the Law Firm as reasonably necessary to conduct and conclude the Lawsuits. For the avoidance of doubt, such assistance includes all actions any plaintiff may reasonably expect undertaking such as submitting to examination; verifying statements under oath; and appearing at any proceedings. The examples in the preceding sentence are illustrative and do not limit the Seller's duty to cooperate in any way.

- d. The Seller shall use its best efforts to preserve the rights of the Buyer's hereunder, including their rights to Litigation Proceeds and agrees during the term of this Agreement to use reasonable efforts to refrain from knowingly (i) engaging in any acts or omissions that would have a materially adverse impact on the Lawsuits, the Claim, or an COP holder's rights to the Investment Return or (ii) granting any person or Entity a future interest in the Claim, Lawsuits or Litigation Proceeds that is senior or pari passu to the claims of the Buyers to Litigation Proceeds under the Agreements.
- e. The Seller will refrain from making any attempts to revoke or cause to be revoked MSA and will assist the Law Firm as may be necessary or desired to ensure that each COP holder receives their Investment Return within 90 days of Law Firm's receipt of Litigation Proceeds in the Deposit Account. In the event the Investment Return is not sent to a holder of COPs who is entitled to such payment on or before the 90-day period described above, the Buyer shall be entitled to interest at the "Prime Rate" of interest adjusted as of the first day of each calendar month and as determined by reference to the Federal Open Market Committee (FOMC).
- f. The Seller is a limited partnership in good standing under the laws of the state of its formation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.
- g. The execution, delivery and performance by the Seller of this instrument is within the power of the Seller and has been duly authorized by all necessary actions on the part of the Seller. This instrument constitutes a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To the knowledge of the Seller, it is not in violation of (i) its current charter or bylaws or applicable constituent documents; (ii) any material statute, rule or regulation applicable to the Seller; or (iii) any material indenture or contract to which the Seller is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Seller.
- h. The performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Seller; (ii) result in the acceleration of any material indenture or contract to which the Seller is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Seller or the suspension, forfeiture, or nonrenewal of any material permit, license or

authorization applicable to the Seller, its business or operations.

- i. No consents or approvals are required in connection with the performance of this instrument, other than any qualifications or filings under applicable securities laws and approvals of Seller that have been received as of the date hereof.
- j. As of the date hereof, there are no bankruptcy proceedings outstanding or written notice of potential proceedings against Seller. In the event the Seller commences, or has commenced against it, any case or other proceeding pursuant to any bankruptcy, insolvency or similar law, Seller shall use reasonable efforts to cause the Investment Return to be described as an asset of Buyer in any oral or written communications, including any document filed in connection therewith.
- k. All filed and unsealed pleadings in the Lawsuits are accessible through the federal courts' PACER service (<https://pacer.uscourts.gov/>) or comparable State court portal in the jurisdictions the Lawsuits are filed.

6. ***Representations by Buyers.*** Each Buyer represents to the Seller as follows:
- a. The Buyer has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes a valid and binding obligation of the Buyer, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.
 - b. The Buyer acknowledges, and is entering into this instrument in compliance with, the investment limitations set forth in Rule 100(a)(2) of Regulation CF, promulgated under Section 4(a)(6)(B) of the Securities Act.
 - c. In deciding to purchase this instrument, the Buyer is not relying on the advice or recommendations of the Seller and the Buyer has made its own independent decision that the purchase of this instrument is suitable and appropriate for the Buyer. The Buyer understands that no federal or state agency has passed upon the merits or risks in this instrument or made any finding or determination concerning the fairness or advisability of this purchase.
 - d. The Buyer understands that the Law Firm's claim to the Contingency Fee and reimbursement of Claims Expenses is senior to, and payable in advance of, the payment of Litigation Proceeds and the Buyer receiving any portion of the Investment Return.
 - e. The Buyer understands and acknowledges that this Agreement does not transfer to the Buyer control over the Lawsuits, any right to require the Seller continue the Lawsuits or to pursue the Claims, or any approval or veto rights over any proposed settlement. Seller shall at all times remain wholly in control of the Lawsuits and resolution thereof.
 - f. The Buyer is paying the Purchase Price consideration for the Investment Return on a non-recourse basis. In the event a Final Determination fails to result in a recovery of Litigation Proceeds, Seller shall have no further obligations hereunder, including to make any payment to Buyer for any portion of the Purchase Price. In the event Litigation Proceeds are insufficient to pay Buyers in full, including after the payment of Claims Expenses, after the payment of Buyer's Pro Rata Distributions, Seller shall have no further obligations hereunder.
 - g. The Buyer understands that the information disclosed in connection with litigation financing is complex, nuanced, and oftentimes more detailed than the information disclosed in connection with prospective investments

in most asset classes, such as investments in corporate entities that disclose financial statements and discuss their business models in public disclosures. Depending on the time of investment, hundreds of pages of documentation from the plaintiff, defendant, and the court may be available on the public docket. Investors should carefully review such documentation prior to investing, and investors should understand who is writing each such document when reviewing them. For example, documents drafted by plaintiffs and defendants are primarily written from a position of advocacy. Lawyers write these documents with the goal of zealously advocating for their respective clients rather than informing a potential investor.

Standards employed by the court at different stages of litigation do not represent a fair indication as to whether a plaintiff will ultimately be successful on the merits of a claim if litigated through trial. A court uses different criteria to determine whether a claim survives a motion to dismiss, a motion for summary judgment, or similar motions made under applicable state law, as compared to how a court will rule or instruct a jury at trial. The varying nature of these standards should be understood by investors.

The Buyer understands that these are only a few of the many complexities of the American legal system and with investing in litigations, in general, and does not cover all such risks and complexities therein.

- h. The Buyer understands that the amount of damages claimed in the Lawsuits may be aggressively contested by the parties and the Buyer represents that there may be significant variance in the amount of damages claimed by a party and the amount of damages ultimately awarded by a court or jury. Moreover, the Lawsuits may settle for amounts significantly lower than the amounts claimed and the Buyer understands that he or she should factor that in when assessing this Agreement.
- i. The Buyer understands that no public market now exists for any of the securities issued by the Seller, and that the Seller has made no assurances that a public market will ever exist for this instrument and any assets used to satisfy the obligations hereunder.
- j. If the Buyer is not a United States person (as defined by Section 7701(a)(30) of the IRC), the Buyer hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any offer or sale of this instrument, including (a) the legal requirements within its jurisdiction for the purchase of this instrument; (b) any foreign exchange restrictions applicable to such purchase; (c) any governmental or other consents that may need to be obtained; and (d) the

income tax and other tax consequences, if any, that may be relevant to the purchase, holding, conversion, redemption, sale, or transfer of this instrument. The Buyer acknowledges that the Seller has taken no action in foreign jurisdictions with respect to this instrument.

- k. The Buyer understands that this instrument is being offered in a regulation crowdfunding offering with other Agreements, and all participants in the aforementioned offering, together, “Buyers,” will have the same rights and obligations.

7. ***Arbitration, Law & Jurisdiction.*** Except as it relates to the Federal Arbitration Act (“FAA”), the Investment Documents and any related claims shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to any conflict of laws provisions thereof. Any dispute, claim, or controversy arising out of, or relating to, the Investment Documents, or the breach, termination, enforcement, interpretation or validity thereof, including this provision to arbitrate, shall be settled by binding arbitration in the Judicial Arbitration and Mediation Service (“JAMS”). The arbitration shall be conducted pursuant to the FAA and the JAMS Commercial Arbitration Rules in effect at the time of the arbitration. The tribunal shall consist of one arbitrator that the Parties will seek to agree on within fourteen (14) days of the request for arbitration and if no such agreement is reached JAMS shall appoint such arbitrator within seven (7) days thereafter. Each Party shall pay its own expenses in such arbitration, including attorneys’ fees. An arbitration award may be confirmed in any jurisdiction in which a party is subject to personal jurisdiction or otherwise possesses assets. Nothing in this provision shall prevent either Party from obtaining preliminary injunctive relief in court if necessary to prevent irreparable harm pending the conclusion of any arbitration in accordance with this Section 8; for such actions, the Parties hereby consent to the exclusive jurisdiction of any state or federal court located within the County of San Diego and State of California and agree that all such actions shall be litigated in such courts waiving any defense of forum non conveniens and any right to jury trial. An arbitration award may be confirmed in any jurisdiction in which a party is subject to personal jurisdiction or otherwise possesses assets.

8. ***Successors and Assigns.*** Seller shall not assign any of its rights or obligations under the Investment Documents or the Litigation Proceeds. Buyer may assign or otherwise transfer all or any of its rights and obligations under the Agreement; provided that no such assignment shall be made to any defendant in the Lawsuits or to another Person which would materially and adversely affect the Claims. Subject to the foregoing, this Agreement shall be binding and inure to the benefit of Seller and Buyer and their respective heirs, executors, personal representatives, administrators, successors and permitted assigns.

9. ***Conduct of the Litigation.*** Buyer shall not provide legal advice of any kind to Seller. All legal services that might prove necessary shall be the sole responsibility of the Law Firm or other attorney(s) retained and authorized by Seller to represent Seller. Buyer further acknowledges that it shall issue no instructions of any kind to Law Firm or to any other attorneys retained and authorized by the Seller or otherwise exercise any influence or control over the Law

Firm or such attorneys with respect to the representation of the Seller or the conduct of the Lawsuits. By virtue of entering into this Agreement, Buyer does not become a party to the Lawsuits or become a client of the Law Firm. Seller retains the unrestricted right to settle the Lawsuits at any time in good faith without the approval of the Buyers.

10. ***Relationship between Seller and Buyer; Income Tax Treatment.*** The relationship of the Parties shall be that of seller and buyer, and neither Party shall be considered or act as an agent of or have any fiduciary duties to the other Party. The Agreement not intended to create a joint venture, partnership or association between the Parties. The Parties intend that the transactions set forth in this Agreement shall be treated for income tax purposes as a prepaid forward contract and not as indebtedness, and each Party agrees to report these transactions on its income tax returns in a manner consistent with such intention and to pay any applicable taxes in a similar fashion. This Agreement creates rights and obligations on the part of each of the Parties. The Parties intend that any rights or obligations created as a consequence of this Agreement shall terminate (within the meaning of Section 1234A of the IRC) upon Buyer's receipt of the full Investment Return pursuant to this Agreement. To the maximum extent permitted by law, the payment of the Investment Return shall be treated as the disposition of any assets created or transferred to Buyer as a result of this Agreement.

11. Miscellaneous

- a. Each Buyer hereby agrees that, if any amendment, waiver or modification of this Agreement is (A) approved by the written consents required for such amendment, waiver or modification under the preceding clause "(a)" (i.e., approved by the written consent of the Seller and the holders of a majority of the amount of Purchase Price paid), each Buyer shall promptly (and in any event within thirty days of the Seller's written request (accompanied by the relevant written consent of other Buyers)) execute and deliver to the Seller such amendment or a written agreement setting forth such waiver or modification.
- b. Each Buyer hereby constitutes and appoints as the proxies of such Buyer, and hereby grants a power of attorney to: (A) the Law Firm, and (B) the directors and officers of the Seller, and each of them, with full power and substitution, to execute any amendment, modification or waiver the Buyer is required to execute pursuant to the preceding clause "(a)(i)" and fails to deliver within the period of time required by the preceding clause "(a)(i)". Each of the proxy and power of attorney granted in this clause "(a)(i)" is being given in consideration of the agreements and covenants of the parties in connection with the transactions contemplated by this instrument and, as such, each is coupled with an interest, secures the proprietary interest of such donee and the performance of obligations owed to such donee and shall be irrevocable until this instrument terminates pursuant to its terms or is amended to remove or terminate the proxy and power of attorney. Each Buyer hereby revokes any and all previous proxies or

powers of attorney with respect to the matters contemplated herein that may conflict or be inconsistent with the foregoing provisions and shall not hereafter, until this instrument terminates pursuant to its terms or is amended to remove or terminate the proxy and power of attorney, grant, or purport to grant, any other proxy or power of attorney which may conflict or be inconsistent with the foregoing provisions.

- c. Upon the Final Determination, if no Litigation Proceeds are payable in connection therewith, this Agreement shall automatically terminate and be of no further force or effect.
- d. Seller shall not be liable or responsible to the Buyers, nor be deemed to have defaulted under or breached this Agreement, in each case, for any failure or delay in fulfilling or performing Section 4(a), 5, or 6(f) of this Purchase Agreement, if and to the extent that such failure or delay is caused by, or results from, acts beyond the affected party's reasonable control, including, without limitation: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, or other civil unrest; (d) applicable law or regulations; (e) action by any Governmental Authority; or (f) technological changes or malfunctions (including changes imposed by platforms or networks on which applications related to the COPs and the Escrow Agent network would be made available).
- e. The financial security may be subject to transfer restrictions, limiting the ability of the holder to assign or sell the instrument to third parties without prior consent or compliance with applicable financial securities regulations. Seller hereby acknowledges and consents to all terms set forth in this Agreement and hereby waives its right to raise any objection thereto and consents to any transfer restrictions Seller deems necessary to comply with all applicable federal and state laws and regulations. In connection herewith, Seller will execute and deliver to Buyers an assignment of the Transferred Interest.
- f. In the event any one or more of the terms or provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the terms or provisions of this instrument operate or would prospectively operate to invalidate this instrument, then such term(s) or provision(s) only will be deemed null and void and will not affect any other term or provision of this instrument and the remaining terms and provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(Signature page follows)

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

VICTORY LITIGATION FUND I, LP

By:

Name: Ron Lasorsa

Title: CEO

Address: 8 The Green Ste A, Dover, DE 19901

Email: rsl@victorydfi.com

BUYER

By: [/s/Investor signature]

Name: [Investor name]

Purchase Price [\$US investment amounts]

Address:

Email:

SCHEDULE I

Performance Fee

LAW FIRM agrees to pay CME a fixed performance fee per case for completing specific services outlined in the Management Services Agreement (“MSA”).

Pursuant to this Agreement, LAW FIRM agrees to pay a per-case performance fee to CME. The performance fee specific to each underlying case is payable within 30 days of when the LAW FIRM receives its legal fee on that particular case.

Investment Return

The Investment Return is calculated by multiplying the Final Cost of Acquisition (“FCOA”) by a contractually agreed-upon multiplier of 10. For every Lawsuit originated by Seller, Law Firm will pay \$10 for every \$1 Seller expended in originating the Lawsuit.

The FCOA is calculated by taking the total funds spent during an advertising campaign to originate cases divided by the final number of cases filed with the court.

Final Cost of Acquisition

Calculation

For example, if \$100,000 is the total amount of funds spent during an advertising campaign, and 10 cases are filed with the court, the FCOA is \$10,000 per case ($\$100,000 / 10$).

The FCOA figure is used to determine the performance fee (as outlined in the following sections).

Performance Fee Calculation

Methodology

The performance fee is calculated by multiplying the FCOA by a contractually agreed upon Multiplier (“Multiplier”). Thus, the per case performance fee = FCOA * Multiplier.

The Multiplier is determined based on the amount of capital contributed by a law firm in proportion to the amount of funds contributed by the CME, as follows:

- 1) If LAW FIRM contributes \$1 for every \$1 provided by CME, the Multiplier is three. The performance fee is three times the FCOA.
- 2) If LAW FIRM contributes \$1 for every \$4 provided by CME, the Multiplier is six. The performance fee is six times the FCOA.
- 3) If LAW FIRM does not contribute any of its own funds, the Multiplier is ten. The performance fee is ten times the FCOA.

For example, assuming a FCOA of \$10,000:

- The performance fee for a 1:1 contribution of funds is equal to 3 (Multiplier) * \$10,000 (FCOA) = \$30,000 per case
- The performance fee for a 1:4 contribution of funds is equal to 6 (Multiplier) * \$10,000 (FCOA) = \$60,000 per case
- The performance fee if the law firm does not contribute funds is equal to 10 (Multiplier) * \$10,000 = \$100,000 per case

<u>LAW FIRM</u> <u>Funds</u>	<u>CME</u> <u>Funds</u>	<u>Multiplier</u>	<u>performance fee</u>
<u>\$1</u>	<u>\$1</u>	<u>3</u>	<u>3 * FCOA</u>
<u>\$1</u>	<u>\$4</u>	<u>6</u>	<u>6 * FCOA</u>
<u>\$0</u>	<u>\$1</u>	<u>10</u>	<u>10 * FCOA</u>

Distribution of Funds: 50% Reinvestment / 50% Payout

As Lawsuits are paid, the amounts paid are used to pay the Law Firm's contingency fees. Law Firm will then pay Seller the Investment Return. Once Seller's cumulative net cash flow from Investment Returns reaches \$1,000,000 in aggregate, for each completed campaign 50% of the funds will be distributed pro-rata to Buyers, and 50% will be redeployed and reinvested to conduct additional campaigns.

For example, assuming cumulative net cash flow from Investment Returns reaches \$1,000,000:

- 50% of the funds (\$500,000) will be distributed pro-rata to Buyers,
- 50% (\$500,000) will be redeployed and reinvested to conduct additional campaigns.

50% Reinvestment Allocation

The 50% reinvestment allocation allows Investors to benefit from the contingency fees and Investment Returns of additional campaigns without the need for additional Certificate of Participation sales, thereby minimizing Seller Certificate of Participation dilution and maximizing ROI for the Buyers.

The Seller will cap the total management fee to 20% of money allocated to each campaign, including campaigns from redeployed funds, consistent with the industry norms.

50% Payout Allocation

Of the 50% of funds from Investment Returns from each campaign distributed pro-rata to Buyers, Seller will not receive any distributions from Investment Returns until 100% of Buyers' initial investment has been returned to Buyer.

Once 100% of the initial investment has been returned to Buyers, the Buyers will receive 50% of the Investment Returns in the form of Pro Rata Distributions, and Seller will retain the remaining 50% of the Investment Returns.

For example, when the "Investment Returns" first reaches \$1,000,000, after the \$500,000 reinvestment allocation, there is \$500,000 remaining for Payout. Assuming an initial Buyer investment of \$100,000 :

- 100% of initial Buyer investment is repaid = \$100,000
- 50% of remaining \$400,000 investment return is distributed to Buyer = \$200,000
- Total payout to Buyer is \$300,000

When the "Investment Returns" reaches \$1,000,000 all subsequent times, the Buyer, and the Seller, split the Pro Rata Distributions evenly until the buyer has been paid (10x) times return on initial investment.

- 50% of Payout Allocation to Buyers = \$250,000
- Total payout to buyers is now \$550,000

This 50% Reinvestment / 50% Payout process continues until Buyers receive payouts that total 10X times return on their initial investment.

Certificate of Participation Burn

Certificate of Participation shall expire after paying out 1000% (10x) times return on initial investment. Pro Rata Distributions will be made after receipt of funds from Lawsuits. Once the sum total of distributions for a given performance fee equals \$10 for every \$1 paid for the performance fee, the performance fee will automatically expire, and "burn" and Buyer will no longer be entitled to further Pro Rata Distributions.

It is anticipated and acknowledged that it will take more than one reinvestment/payout investment cycle, if ever, to achieve this return. Therefore, the maximum return an Investor can ever receive is 1000%.

EXHIBIT A

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (“Agreement”) is entered into effective as of _____ (“Effective Date”) by and between Victory Litigation Fund, a Delaware Limited Partnership (“CASE MANAGEMENT ENTITY” or “CME”) and _____, a _____ (“LAW FIRM”). CME and LAW FIRM are sometimes referred to herein collectively as the “Parties” and individually each of CME and LAW FIRM may be referred to herein as a “Party.”

WITNESSETH:

WHEREAS, LAW FIRM desires to contract with CME for CME to provide certain services and for the use of certain personnel of CME as described in this Agreement; and

WHEREAS, the services provided by CME are as set forth on Schedules A and B, as it may be amended from time to time pursuant to Section 3.4.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties agree, intending to be legally bound, as follows:

ARTICLE I PERFORMANCE AND PAYMENT OF SERVICES

Performance of Services.

- (a) Subject to the terms and conditions set forth herein, CME shall provide or cause to be provided to LAW FIRM the services listed on Schedule A (each, a “**Service**” and collectively, the “**Services**”). Specifically, CME shall provide non-legal services and consulting support to LAW FIRM as outlined in this Agreement.
- (b) The Parties shall mutually agree, in writing and in advance of any Services rendered by CME, on a budget for CME to perform said Services and to achieve milestones outlined in Schedule B. Any budget agreed upon by the Parties may be amended by mutual, written consent of the Parties.
- (c) CME shall perform the Services exercising the same degree of care as it exercises in performing the same or similar services for its own account, with performance comparable in all material respects to that provided to its own business operations.
- (d) In addition to the Services to be provided pursuant to Schedule A, the Parties may mutually agree for additional services to be provided in writing from time to time (the “**Additional Services**”). The scope of any Additional Services, as well as the term, costs and other terms and conditions applicable to such services, shall be as mutually agreed in writing by the Parties.
- (e) CME may use reasonably qualified subcontractors to provide some or all of the Services.

- (f) Any and all costs and expenses incurred by CME on behalf and for the benefit of LAW FIRM will be reimbursed to CME at a time and in the amount as contained in this Agreement.
- (g) Neither Party nor any of its employees or representatives shall be deemed for any purpose (including compensation or employee benefits) to be employees or representatives of the other Party. In performing their respective duties hereunder, all employees and representatives of CME shall be under the direction, control, and supervision of CME (and not of LAW FIRM) and CME shall have the sole right and responsibility to exercise all authority with respect to the employment (including termination of employment), assignment, and compensation of such employees and representatives.
- (h) CME is not a law firm and does not provide legal advice, nor does it make legal decisions on behalf of any client of LAW FIRM. Notwithstanding, CME recognizes that LAW FIRM is bound by rules of ethics and rules of professional conduct. Accordingly, CME represents its services will conform to, and be compliant with, the Rules of Court, Ethics, and Professional Conduct to the extent required.
- (i) The Parties acknowledge that CME shall be solely responsible for compensating (and withholding or paying taxes in connection therewith) and providing employee benefits, as applicable, to any individual providing Services hereunder.

Payment for Services.

- (a) **Services.** Upon completion of all Milestones set forth in Schedule B, and contingent on payment of legal fees for those cases originated from CME providing LAW FIRM Services, LAW FIRM shall pay to CME on the dates and in the amount specified as consideration for such Service or Additional Service on Schedule A. It is anticipated that the payments for Services shall be payable at the time of invoice. CME shall provide monthly statements of all billable Service amounts.
- (b) **Costs and Expenses.** In addition to payment for Services, LAW FIRM may be required to pay expenses in connection with the Services rendered by CME. Such expenses may include, among other things, extraordinary photocopying, messenger service, overnight delivery, faxing, long-distance telephone, and express mail expenses. CME will obtain LAW FIRM's written authorization before incurring any expense in excess of \$100.00. With respect to any costs and expenses, CME will determine all payments required to be paid for same, and such determinations shall be final, binding, and not subject to appeal or dispute. Any cost and expense payments shall be paid within thirty (30) days following the demand for same, unless otherwise agreed between the parties or as listed on Schedule A.

ARTICLE II CASE MANAGEMENT SERVICE

II.2. CME Case Management Service. CME and LAW FIRM agree that CME will, on behalf of LAW FIRM's docket originated pursuant to CME's services outlined in Article I of this

Agreement and Schedule A, engage in the case management procedures outlined in Schedule A.

II.3. Service Fees. LAW FIRM agrees to pay to CME the amounts outlined in Schedule A for non-legal services outlined in this Agreement.

II.4. Term of this Agreement. The term of this Agreement shall begin upon the execution of this Agreement and shall terminate in accordance with Section 3.1 or upon completion of the work provided to LAW FIRM by CME.

Limited Liability. CME is not responsible and shall be held harmless from any obligations, costs, claims, judgements, settlement, and attorneys' fees, and attachments arising from or growing out of Services rendered to LAW FIRM pursuant to the terms of this Agreement or in any way connected with the rendering of services, except when the same shall arise due to the willful misconduct or gross negligence of CME.

ARTICLE III MISCELLANEOUS

Term and Termination. This Agreement shall commence on the Effective Date and shall continue until terminated upon completion of the work herein described (the "**Term**").

- a) Termination for Cause. Either party may terminate this Agreement, effective upon written notice to the other party (the "**Defaulting Party**"), if the Defaulting Party (a) materially breaches this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within ten (10) business days after receipt of written notice of such breach; (b) becomes insolvent; (c) admits its inability to pay its debts generally as they become due; (d) becomes subject to any bankruptcy proceeding which is not dismissed or vacated within thirty (30) days after filing; (e) is dissolved or liquidated; (f) makes a general assignment for the benefit of creditors; or (g) has a receiver, trustee, custodian, or similar agent appointed by court order to take charge of or sell any material portion of its property or business.
- b) Effects of Termination or Expiration. Upon expiration or termination of this Agreement for any reason, (a) Service Provider shall: (i) deliver to Customer all documents, work product, and other materials, whether or not complete, prepared by or on behalf of Service Provider in the course of performing the Services for which Customer has paid; (ii) return to Customer all Customer-owned property, equipment, or materials in its possession or control; (iii) remove any Service Provider-owned property, equipment, or materials located at Customer's locations; and (iv) provide reasonable cooperation and assistance to Customer upon Customer's written request and at Customer's expense, in transitioning the Services to an alternate service provider; and (b) each party shall return to the other party or destroy, at the other party's discretion, all documents and tangible materials (and any copies, physical or electronic) containing, reflecting, incorporating or based on the other party's Confidential Information and certify in writing that it has done so; provided, however, that Customer may retain copies of any Confidential Information

of Service Provider incorporated in the Deliverables, as defined in 5.1, or to the extent necessary to allow it to make full use of the Services and any Deliverables.

- c) Survival. The rights and obligations of the parties set forth in this 3.1 and Sections 3.2, 3.6, 3.8, 3.11, 3.12, and any right or obligation of the parties in this Agreement which, by its nature, should survive termination or expiration of this Agreement, will survive any such termination or expiration of this Agreement.

Confidentiality. In addition to any obligations of confidentiality pursuant to other agreements between or among the Parties, or any of their subsidiaries or affiliates, each Party shall, and shall cause their affiliates and subsidiaries to, hold in confidence and, without the prior written consent of the Party to whom the information relates, and not disclose to any person, or exploit for its own purposes, any information received by it from the other Party hereto (or any such other Party's affiliates or subsidiaries) during the provision of the Services or related to the subject matter or performance of this Agreement and any Schedule or attachment hereto. Each Party further agrees that it shall use the information received by it from the other Party hereto (or any such Party's affiliates or subsidiaries) only in connection with the provision or receipt of the Services and for no other purpose whatsoever.

Relationship of Parties. The parties to this Agreement have the relationship of independent contractors. Nothing herein contained shall be deemed or construed by LAW FIRM or CME as creating the relationship of principal and agent, employer and employee, partnership, joint employers or joint venture between the Parties. Except as otherwise expressly set forth in this Agreement, neither Party has the right or authority to enter into any contract, warranty, guarantee or other undertaking in the name or for the account of the other Party or to assume or create any obligation or liability of any kind, express or implied on behalf of the other Party, or to bind the other Party in any manner whatsoever, or to hold itself out as having any right, power or authority to create any such obligation or liability on behalf of the other or to bind the other Party in any manner whatsoever, or to act on behalf of the other Party as its broker, agent or otherwise for the purpose of committing, selling, conveying or transferring any of the other Party's assets or property, contracting for or in the name or the other Party, or making any representation binding upon such other party (except, in each case, as to any actions taken by a Party at the express written request and direction of the other Party).

Entire Agreement; Amendment. This Agreement (including Schedule A, any Loan Agreement and any updates or annexes thereto), constitutes the entire understanding between the Parties with respect to the specific subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter. Except as otherwise provided herein, any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by CME and LAW FIRM, or in the case of a waiver, by the party against whom the waiver is to be effective.

Disclaimer of Warranties. NEITHER PARTY HERETO MAKES, AND EACH PARTY HERETO EXPRESSLY DISCLAIMS, ANY AND ALL REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS, IMPLIED OR STATUTORY, WITH RESPECT TO THE SERVICES TO BE PROVIDED UNDER THIS AGREEMENT, INCLUDING WARRANTIES WITH RESPECT TO MERCHANTABILITY, OR

SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR TRADE USAGE.

Limitation on Liability. The liability of either Party for any damages arising from the Services pursuant to this Agreement is limited to the amount set forth by law and in no event will either party be liable for any damages from lost profits or any incidental or consequential damages.

No Third-Party Beneficiaries. Executed signatures to this Agreement may be delivered by any standard electronic means and any such electronically delivered signatures shall be construed as manually executed signatures. Except as otherwise specifically set forth herein or in any amendment hereto, no provision of this Agreement is intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

Severability. In the event that any provision or requirement of this Agreement is in violation of any law or regulation or otherwise found to be invalid or unenforceable in any jurisdiction: (i) such provision or requirement shall not be enforced except to the extent it is not in violation of such laws or regulations or otherwise invalid or unenforceable, (ii) the Parties will promptly renegotiate to restore such provision or requirement of this Agreement as near as possible to its original interest and effect, and (iii) all other provisions and requirements of this Agreement shall remain in full force and effect.

Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if made in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, with respect to each Party, at its main offices. Notices shall be effective on the date of delivery in person, one (1) business day after delivery to such overnight courier service, or five (5) business days after the date mailed.

III.10. Dispute Resolution. In the event a dispute arises out of, or in connection with, this Agreement, the Members will attempt, in good faith, to resolve the dispute through friendly consultation. If the dispute is not resolved within a reasonable period, then any or all outstanding issues may be submitted to mediation in accordance with JAMS' rules, regulations, and requirements. If mediation is not successful in resolving the entire dispute or is unavailable, any outstanding issues shall be submitted to final and binding arbitration in accordance with JAMS' rules, regulations, and requirements, as well as the laws of the State of California. Arbitration shall be held in San Diego, California before a single arbitrator. The arbitrator's award will be final, and judgment may be entered upon it by any court having jurisdiction within the State of California.

Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Delaware, without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

Conflict. In case of conflict between the terms and conditions of this Agreement and any schedule hereto, the terms and conditions of such schedule shall control and govern as it relates to the Service to which those terms and conditions apply.

III.14. Records. Each Party shall keep administrative records regarding the provision of Services and retain such records for a period of two (2) years following the cessation of such Service.

Assignment; Binding Effect. This Agreement may not be assigned by either Party without the prior written consent of the other Party, except to an acquirer of substantially all of the assets or business of either Party. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

III.16. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. Counterparts may be delivered via facsimile, electronic mail (including PDF or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method, and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first written above.

**CME: CASE MANAGEMENT ENTITY,
LLC**

By: _____
Name: Ron Lasorsa
Title: President

LAW FIRM: _____

By: _____
Name:
Title:

SCHEDULE A: DESCRIPTION OF SERVICES AND PAYMENT

Performance Fee

LAW FIRM agrees to pay CME a fixed performance fee per case for completing specific services outlined in the Management Services Agreement (“MSA”).

Pursuant to this Agreement, LAW FIRM agrees to pay a per-case performance fee to CME. The performance fee specific to each underlying case is payable within 30 days of when the LAW FIRM receives its legal fee on that particular case.

Investment Return

The Investment Return is calculated by multiplying the Final Cost of Acquisition (“FCOA”) by a contractually agreed-upon multiplier of 10. For every Lawsuit originated by Seller, Law Firm will pay \$10 for every \$1 Seller expended in originating the Lawsuit.

The FCOA is calculated by taking the total funds spent during an advertising campaign to originate cases divided by the final number of cases filed with the court.

Final Cost of Acquisition Calculation

For example, if \$100,000 is the total amount of funds spent during an advertising campaign, and 10 cases are filed with the court, the FCOA is \$10,000 per case ($\$100,000 / 10$).

The FCOA figure is used to determine the performance fee (as outlined in the following sections).

Performance Fee Calculation

Methodology

The performance fee is calculated by multiplying the FCOA by a contractually agreed upon Multiplier (“Multiplier”). Thus, the per case performance fee = $FCOA * Multiplier$.

The Multiplier is determined based on the amount of capital contributed by a law firm in proportion to the amount of funds contributed by the CME, as follows:

- 4) If LAW FIRM contributes \$1 for every \$1 provided by CME, the Multiplier is three. The performance fee is three times the FCOA.
- 5) If LAW FIRM contributes \$1 for every \$4 provided by CME, the Multiplier is six. The performance fee is six times the FCOA.

- 6) If LAW FIRM does not contribute any of its own funds, the Multiplier is ten. The performance fee is ten times the FCOA.

For example, assuming a FCOA of \$10,000:

- The performance fee for a 1:1 contribution of funds is equal to 3 (Multiplier) * \$10,000 (FCOA) = \$30,000 per case
- The performance fee for a 1:4 contribution of funds is equal to 6 (Multiplier) * \$10,000 (FCOA) = \$60,000 per case
- The performance fee if the law firm does not contribute funds is equal to 10 (Multiplier) * \$10,000 = \$100,000 per case

<u>LAW FIRM</u> <u>Funds</u>	<u>CME</u> <u>Funds</u>	<u>Multiplier</u>	<u>performance fee</u>
<u>\$1</u>	<u>\$1</u>	<u>3</u>	<u>3 * FCOA</u>
<u>\$1</u>	<u>\$4</u>	<u>6</u>	<u>6 * FCOA</u>
<u>\$0</u>	<u>\$1</u>	<u>10</u>	<u>10 * FCOA</u>

Distribution of Funds: 50% Reinvestment / 50% Payout

As Lawsuits are paid, the amounts paid are used to pay the Law Firm's contingency fees. Law Firm will then pay Seller the Investment Return. Once Seller's cumulative net cash flow from Investment Returns reaches \$1,000,000 in aggregate, for each completed campaign 50% of the funds will be distributed pro-rata to Buyers, and 50% will be redeployed and reinvested to conduct additional campaigns.

For example, assuming cumulative net cash flow from Investment Returns reaches \$1,000,000:

- 50% of the funds (\$500,000) will be distributed pro-rata to Buyers,
- 50% (\$500,000) will be redeployed and reinvested to conduct additional campaigns.

50% Reinvestment Allocation

The 50% reinvestment allocation allows Investors to benefit from the contingency fees and Investment Returns of additional campaigns without the need for additional Certificate of Participation sales, thereby minimizing Seller Certificate of Participation dilution and maximizing ROI for the Buyers.

The Seller will cap the total management fee to 20% of money allocated to each campaign, including campaigns from redeployed funds, consistent with the industry norms.

50% Payout Allocation

Of the 50% of funds from Investment Returns from each campaign distributed pro-rata to Buyers, Seller will not receive any distributions from Investment Returns until 100% of Buyers' initial investment has been returned to Buyer.

Once 100% of the initial investment has been returned to Buyers, the Buyers will receive 50% of the Investment Returns in the form of Pro Rata Distributions, and Seller will retain the remaining 50% of the Investment Returns.

For example, when the "Investment Returns" first reaches \$1,000,000, after the \$500,000 reinvestment allocation, there is \$500,000 remaining for Payout. Assuming an initial Buyer investment of \$100,000 :

- 100% of initial Buyer investment is repaid = \$100,000
- 50% of remaining \$400,000 investment return is distributed to Buyer = \$200,000
- Total payout to Buyer is \$300,000

When the "Investment Returns" reaches \$1,000,000 all subsequent times, the Buyer, and the Seller, split the Pro Rata Distributions evenly until the buyer has been paid (10x) times return on initial investment.

- 50% of Payout Allocation to Buyers = \$250,000
- Total payout to buyers is now \$550,000

This 50% Reinvestment / 50% Payout process continues until Buyers receive payouts that total 10X times return on their initial investment.

Certificate of Participation Burn

Certificate of Participation shall expire after paying out 1000% (10x) times return on initial investment. Pro Rata Distributions will be made after receipt of funds from Lawsuits. Once the

sum total of distributions for a given performance fee equals \$10 for every \$1 paid for the performance fee, the performance fee will automatically expire, and “burn” and Buyer will no longer be entitled to further Pro Rata Distributions.

It is anticipated and acknowledged that it will take more than one reinvestment/payout investment cycle, if ever, to achieve this return. Therefore, the maximum return an Investor can ever receive is 1000%.

SCHEDULE B: MILESTONE OVERVIEW

The purpose of this Schedule B is to summarize the Services provided by CME to the LAW FIRM as outlined in Schedule A and to estimate the costs of each Milestone. The Services provided and costs incurred, for purposes of this Agreement, are divided into three separate Milestones.

Milestone Definitions

Milestone 1 – Lead Retention and Contract Services

- Services provided: Lead generation, intake call screening, and contract signing services.
- Expected duration of Milestone 1: Up to 90 days from initial lead contact.
- Goal: Maximize the ratio of leads purchased to leads retained.

Milestone 2 – Medical Record Retrieval & Medical Record Review

- Services provided: Medical records requests and retrieval.
- Expected duration of Milestone 2: Up to 180 days from initial medical records request.
- Goal: Maximize the ratio of leads retained to cases validated.

Milestone 3 –Plaintiff Fact Sheet Preparation

- Services provided: Plaintiff fact sheet preparation, deficiency perfection and court submission services.
- Expected duration of Milestone 3: Up to 90 days from initial case validation.
- Goal: Maximize the ratio of cases validated to cases filed and assigned a docket number.

EXHIBIT B

Silicon Prairie Capital Partners, LLC
475 Cleveland Ave., Suite 101B
St. Paul, MN 55104

EXHIBIT C

Seller hereby designates **Hill Point Advisors**, a California Limited Liability Partnership, with its principal place of business at 401 West Broadway, Suite 400, San Diego, California, 92101, as Seller's **Fund Administrator**.