YS ALTNOTES II LLC

a Delaware Limited Liability Company

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Maximum Offering Amount: $500,000,000

Minimum Investment Amount: $5,000

BORROWER PAYMENT DEPENDENT NOTES

JULY 18, 2023

YS ALTNOTES II LLC, (the "***Company***") is a Delaware limited liability company. The Company is hereby offering (the "***Offering***") by means of this confidential private placement memorandum (this "***Memorandum***") multiple series of borrower payment dependent notes (the "***Notes***") for up to Five Hundred Million Dollars ($500,000,000). (See "Terms of the Offering" below.) The Offering shall be made to accredited investors only. (See "Investor Suitability" below.) The manager of the Company is YieldStreet Management, LLC, a Delaware limited liability company (the "***Manager***"), a registered investment adviser with the U.S. Securities and Exchange Commission ("***SEC***"). The Notes are being offered through the online investment platform www.yieldstreet.com (the "***Platform***") owned and operated by the Company's parent company YieldStreet Inc., the Company's sole owner (the "***Parent***"). YS ALTNOTES I LLC, another wholly-owned subsidiary of the Parent, also issues its borrower payment dependent notes through the Platform. The Manager also offers limited non-discretionary investment advisory services to individuals and entities in the selection of investment opportunities available on the Platform (including the Notes).
The Company was formed to conduct the following business: (1) fund, make, acquire, originate and/or purchase loans directly or indirectly secured by interests in real or personal property ("***Real Estate Loans***"); (2) fund, make, acquire, originate, and/or purchase (a) commercial and business loans directly or indirectly secured by assets other than real estate, including, without limitation, automotive loans, corporate loans, receivable finance, litigation financing, purchase order financing, consumer loans, retail point of sale financing, marine finance such as shipping or container financing and vessel deconstruction financing, asset based financing, working capital loans, short term loans, merchant cash advances, small business loans, art finance loans, oil and gas loans, and equipment financing and/or (b) leases related to equipment, vehicles and other goods and merchandise ("***Asset-Based Loans***", together with Real Estate Loans, the "***Loans***"); (3) invest in loan participations by purchasing a participation interest in Loans and/or portfolio(s) of one or more Loans (the "***Participation Interest***"); and (4) purchase, acquire or invest in (a) notes, drafts, acceptances, open accounts receivable and other obligations representing part or all of the sales price of merchandise, insurance and services or (b) mortgages and other liens on and interests in real estate ("***Other Investments***", and together with the Loans and the Participation Interests, the "***Investments***"). The Company will conduct its business by creating one or more wholly-owned special purpose limited liability company vehicles (each, an "***SPV***") solely to fund, acquire, purchase, hold or originate, in each case, an Investment (or Investments). (See "Investment Standards and Policies" below.) For purposes of this Memorandum, the term "Loans" shall include assignments of Loans to an SPV.

The Company will issue multiple series of Notes on an ongoing basis. All payments received by an SPV on an Investment will be distributed to the Company, as its sole member. The Notes will be solely dependent on the payments the SPV (and therefore in turn the Company) receives in respect of its applicable

Investment(s). Each time the Company offers a series of Notes, the Company will prepare a disclosure supplement (which will be posted on the Platform) with information about the applicable series of Notes, and the corresponding Investment(s), for that series, which is referred to herein as a "***Series Note Supplement***". Each Series Note Supplement will provide information about the specific series of Notes offered for sale and the corresponding Investment(s), as applicable, with respect to such Notes, as well as other applicable or relevant information relating to the series of Notes then being offered on the Platform. The Company reserves the right, in its sole discretion, to not disclose the name or identity of any borrower, guarantor, sponsor, obligor, originator, manager, member, principal or other party related to the applicable Investment (each, an "***Investment Party***") with respect to any series of Notes. In such circumstances, investors must make their respective investment decisions based solely on information provided about an Investment Party, the Note, the underlying Investment(s) and other material facts, but without knowledge of the identity or name of the Investment Party.

The Company will establish individual sub-accounts of the Company's main operating account with respect to each series of Notes (a "***Series Sub-Account***"). The Notes are debt obligations of the Company that will be collateralized by the limited liability company membership interests of each SPV wholly-owned by the Company (the "***Equity Collateral***") and the Series Sub-Account (together with the Equity Collateral, the "***Collateral***"). Each SPV shall own the corresponding Investment(s) that will entitle the SPV to receive payments therefrom. Accordingly, the Company's obligations to make payments to Noteholders will be solely dependent upon the payments received by the SPV pursuant to the corresponding Investment(s) it owns. In addition, the Company anticipates that all SPVs will be managed by the Manager. A Noteholder who seeks to invest in Notes shall receive a promissory note issued pursuant to a Fourth Amended and Restated Borrower Payment Dependent Notes Indenture dated as of December 29, 2022 ("***Indenture***") between the Company and Delaware Trust Company, as trustee (the "***Trustee***").

The Trustee shall act as the secured party with respect to the Collateral for itself and for the ratable benefit of the Noteholders. The Company shall be required pursuant to the terms of the Indenture to file a UCC-1 financing statement, on behalf of the Trustee, to perfect the security interest in Collateral capable of being perfected by a UCC financing statement, for the ratable benefit of the Noteholders. Upon the occurrence and continuance of an "***Event of Default***" (as defined in the Indenture) relating to bankruptcy or insolvency, the Trustee shall take possession of the Collateral and become the paying agent to distribute payments to Noteholders pursuant to the terms of the Notes. Upon the occurrence and continuance of any other Event of Default, the Trustee will have the right, but not the obligation, to become paying agent under the Note. (See "General Terms of the Indenture" below.)

In the event that Investment(s) are prefunded, the Investment(s) may be funded, or assigned to the SPV, by a third-party funding source (any such funding, a "***Funding Facility***," and any such entity, a "***Funding Entity***"). In such event, the Notes will be structurally subordinated to the Funding Entity's interest until such Funding Entity has been paid in full with respect to such funding or assignment made in the SPV. This will occur only after the equivalent of the entire balance of the subject SPV's Investment(s) is funded by Noteholders and received by the Company. The Company expects this process to take approximately two to three weeks, but this period could be shorter or longer. (See "Risk Factors – General Borrower-Related Risks" below.)

In addition, the SPVs may obtain secured term or revolving credit facilities or repurchase agreements (repos) or other similar arrangements (each, a "***Leverage Facility***" and collectively with "Funding Facility", each a "***Credit Facility***") from one or more secured lenders, including the Parent or an affiliate thereof, for the purpose of leverage (each a "***Leverage Provider,***" and collectively with any Funding Entity, an "***SPV Facility Provider***"). Use of leverage through Leverage Facilities may enhance returns on the Notes but may expose Noteholders to greater risk of loss than would have existed in the absence of such leverage. The total amount of leverage outstanding at any time with respect to an SPV will be set forth in each

applicable Series Note Supplement. The Company expects that each Credit Facility will be secured by all or a significant portion of the assets of the SPV borrowing under that Credit Facility. A Leverage Facility may also be guaranteed by the Company, secured by its equity interest in such SPV and may also be cross-defaulted to other Leverage Facilities entered into by other SPVs. The Company has the right to augment or replace a Leverage Facility in the future, and any such augmented or replacement Leverage Facility or similar arrangement may contain terms that are materially different from those of any existing Leverage Facilities. The rights of SPV Facility Providers and any other creditors to receive payments of interest on, and repayments of principal of, advances under the lending arrangement and unused facility fees, if any, are structurally senior to the rights of the Company (and therefore Noteholders) with respect to the payment of proceeds and other distributions from SPVs and Investment(s), and upon liquidation. Furthermore, the Notes will be structurally subordinated to the SPV Facility Provider's interest until such SPV Facility Provider has been paid in full with respect to such funding or assignment made in the SPV. All leverage entails certain risks, including the increased risk of losses. (See "Risk Factors --General Risks.")

A prospective investor who executes a subscription agreement (the "***Subscription Agreement***") shall be issued a Note by the Company and will become a holder of a Note upon (1) the Company's execution of the Subscription Agreement, (2) the receipt, deposit and clearance of the investor's funds into the applicable Series Sub-Account, and (3) the Company's verification of such investor's "accredited investor" status, subject to the terms and conditions in this Memorandum and the Subscription Agreement. An investor who invests and in turn becomes a holder of a Note shall herein be referred to as a "***Noteholder***". An investor begins to accrue interest on its Note as of the date he or she becomes a Noteholder. (See "Terms of the Offering" below).

An investment in the Company's debt is subject to a variety of restrictions as detailed in the Memorandum, the Subscription Agreement, and the Note. (See "Note and Indenture" below.) The Manager will receive certain compensation from the Company and is subject to several conflicts of interest, including, without limitation, its affiliate relationship with the Company. (See "Risk Factors", "Compensation" and "Conflicts of Interest" below.) Prospective investors should understand and consider that material federal income tax risks exist associated with investing in the Notes. (See "Certain U.S. Federal Income Tax Considerations" below.)

The specific term, interest rates and other terms and conditions shall vary subject to the specific Note. (See "Terms of the Offering" below.) The Notes shall be subordinate to any senior indebtedness of the Company, which may include but is not limited to any credit facility from a bank or financial institution, and other secured creditors.

This Offering shall be conducted on an ongoing and "best efforts" basis. The Offering will continue subject to the sole and absolute discretion of the Company to shorten or extend the offering period. No minimum offering amount has been set.

CERTAIN TERMS OF THE OFFERING

	Price to Noteholders[1]	Selling Commissions[2]	Company Proceeds
Amount to be Raised Per Note	$5,000	$0	$5,000
Minimum Investment Amount	$5,000	$0	$5,000
Maximum Offering Amount[3]	$500,000,000	$0	$500,000,000

1. The minimum purchase per investor is Five Thousand Dollars ($5,000) ("***Minimum Investment Amount***"); *however*, the Company reserves the right, in its sole and absolute discretion, to accept subscriptions in a lesser amount or to require a higher

amount. The Company may, at its sole and absolute discretion, at any time during the period of the Offering, increase or decrease the Minimum Investment Amount.

2. Notes will be offered and sold directly by the Company via the Platform. No commissions for selling Notes will be paid to the Company, Manager or the Company's or Manager's respective officers or employees. While Notes are expected to be offered and sold directly by the Company, the Manager and their respective officers and employees, the Company or Manager reserves the right in its sole discretion to offer and sell Notes through the services of independent broker/dealers or third party registered investment advisers who are member firms of the Financial Industry Regulatory Authority. Qualified broker/dealers may be entitled to receive commissions for referring potential investors to the Company. The amount and nature of any commissions payable to broker/dealers and/or registered investment advisers is expected to vary in specific instances and would be agreed on a case-by-case basis.

3. Assumes sale or ownership of the maximum offering amount of Five Hundred Million Dollars ($500,000,000) ("***Maximum Offering Amount***"). It is possible that the Company will sell less than the Maximum Offering Amount but more than the Minimum Investment Amount. The Company may, at its sole and absolute discretion, at any time during the period of the Offering, increase or decrease the Maximum Offering Amount.

NOTICES TO INVESTORS

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM OR ANY SERIES NOTE SUPPLEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THIS OFFERING IS MADE IN RELIANCE ON AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION PROVIDED BY SECTION 4(A)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "***SECURITIES ACT***"), RULE 506(B) AND/OR 506(C) OF REGULATION D AND ANY OTHER APPLICABLE EXEMPTION FROM THE SECURITIES ACT. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THIS OFFERING IS HIGHLY SPECULATIVE AND AN INVESTMENT IN THE NOTES INVOLVES A HIGH DEGREE OF RISK THAT MAY NOT BE SUITABLE FOR ALL PERSONS. ONLY THOSE INVESTORS WHO CAN AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD PARTICIPATE IN THE INVESTMENT. (SEE "RISK FACTORS" BELOW.) THIS OFFERING IS OPEN ONLY TO INVESTORS WHO QUALIFY AS "ACCREDITED INVESTORS" UNDER RULE 501 OF REGULATION D UNDER THE SECURITIES ACT. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANY PERSON EXCEPT THOSE PARTICULAR PERSONS WHO SATISFY THE SUITABILITY STANDARDS DESCRIBED HEREIN.

THE SALE OF NOTES COVERED BY THIS MEMORANDUM HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT IN RELIANCE UPON THE EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS SET FORTH IN SECTION 4(A)(2) OF THE SECURITIES ACT AND RULE 506(B) AND/OR 506(C) OF REGULATION D THEREUNDER. THESE SECURITIES HAVE NOT BEEN QUALIFIED OR REGISTERED IN ANY STATE IN RELIANCE UPON THE EXEMPTIONS FROM SUCH QUALIFICATION OR REGISTRATION UNDER STATE LAW. THESE SECURITIES ARE "RESTRICTED SECURITIES" AND MAY NOT BE RESOLD OR OTHERWISE DISPOSED OF UNLESS A REGISTRATION STATEMENT COVERING DISPOSITION OF SUCH NOTES IS THEN IN EFFECT OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

THERE IS NO PUBLIC MARKET FOR THE NOTES AND NONE IS EXPECTED TO DEVELOP IN THE FUTURE. ANY SUMS INVESTED IN THE COMPANY ARE ALSO SUBJECT TO SUBSTANTIAL RESTRICTIONS UPON WITHDRAWAL AND TRANSFER. THE NOTES OFFERED

HEREBY SHOULD BE PURCHASED ONLY BY INVESTORS WHO HAVE NO NEED FOR LIQUIDITY IN THEIR INVESTMENT. INVESTORS SHOULD BE MADE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF AUTHORIZED PERSONS INTERESTED IN THE OFFERING. IT CONTAINS CONFIDENTIAL INFORMATION AND MAY NOT BE DISCLOSED TO ANYONE OTHER THAN AUTHORIZED PERSONS SUCH AS ACCOUNTANTS, FINANCIAL PLANNERS OR ATTORNEYS RETAINED FOR THE PURPOSE OF RENDERING PROFESSIONAL ADVICE RELATED TO AN EVALUATION OF AN INVESTMENT IN THE NOTES OFFERED HEREIN. IT MAY NOT BE REPRODUCED, DIVULGED OR USED FOR ANY OTHER PURPOSE UNLESS WRITTEN PERMISSION IS OBTAINED FROM THE COMPANY.

NO PERSON HAS BEEN AUTHORIZED IN CONNECTION WITH THIS OFFERING TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THAT INFORMATION AND THOSE REPRESENTATIONS SPECIFICALLY CONTAINED IN THIS MEMORANDUM; ANY OTHER INFORMATION OR REPRESENTATIONS SHOULD NOT BE RELIED UPON. ANY PROSPECTIVE PURCHASER OF THE NOTES WHO RECEIVES ANY OTHER INFORMATION OR REPRESENTATIONS SHOULD CONTACT THE COMPANY IMMEDIATELY TO DETERMINE THE ACCURACY OF SUCH INFORMATION OR REPRESENTATIONS. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALES HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY OR IN THE INFORMATION SET FORTH HEREIN SINCE THE DATE OF THIS MEMORANDUM SET FORTH ABOVE.

PROSPECTIVE PURCHASERS SHOULD NOT REGARD THE CONTENTS OF THIS MEMORANDUM OR ANY OTHER COMMUNICATION FROM THE COMPANY AS A SUBSTITUTE FOR CAREFUL AND INDEPENDENT TAX AND FINANCIAL PLANNING. EACH POTENTIAL INVESTOR IS ENCOURAGED TO CONSULT WITH HIS, HER OR ITS OWN INDEPENDENT LEGAL COUNSEL, ACCOUNTANT AND OTHER PROFESSIONALS WITH RESPECT TO THE LEGAL AND TAX ASPECTS OF THIS INVESTMENT AND WITH SPECIFIC REFERENCE TO HIS, HER OR ITS OWN TAX SITUATION, PRIOR TO SUBSCRIBING FOR THE NOTES.

THE NOTES ARE OFFERED SUBJECT TO PRIOR SALE, AND TO WITHDRAWAL OR CANCELLATION OF THE OFFERING WITHOUT NOTICE. THE COMPANY RESERVES THE RIGHT TO REJECT ANY SUBSCRIPTIONS IN WHOLE OR IN PART FOR ANY OR NO REASON.

THE COMPANY WILL MAKE AVAILABLE TO ANY PROSPECTIVE INVESTOR AND HIS, HER OR ITS ADVISORS THE OPPORTUNITY TO ASK QUESTIONS AND RECEIVE ANSWERS CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING, THE COMPANY OR ANY OTHER RELEVANT MATTERS, AND TO OBTAIN ANY ADDITIONAL INFORMATION TO THE EXTENT THAT THE COMPANY POSSESSES SUCH INFORMATION.

THIS OFFERING INVOLVES SIGNIFICANT RISKS WHICH ARE DESCRIBED IN DETAIL HEREIN. FEES WILL BE PAID TO THE MANAGER AND ITS AFFILIATES, WHO ARE SUBJECT TO CERTAIN CONFLICTS OF INTEREST. PROSPECTIVE PURCHASERS OF NOTES SHOULD READ THIS MEMORANDUM CAREFULLY AND IN ITS ENTIRETY.

THE INFORMATION CONTAINED IN THIS MEMORANDUM HAS BEEN SUPPLIED BY THE COMPANY. THIS MEMORANDUM CONTAINS SUMMARIES OF DOCUMENTS NOT

CONTAINED IN THIS MEMORANDUM, BUT ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCES TO THE ACTUAL DOCUMENTS. COPIES OF DOCUMENTS REFERRED TO IN THIS MEMORANDUM, BUT NOT INCLUDED AS AN EXHIBIT, ARE AVAILABLE TO QUALIFIED PROSPECTIVE INVESTORS ON THE PLATFORM.

TABLE OF CONTENTS

CERTAIN TERMS OF THE OFFERING 3
NOTICES TO INVESTORS 4
NASAA UNIFORM LEGEND 8
SUMMARY OF THE OFFERING 9
FORWARD LOOKING STATEMENTS 18
TERMS OF THE OFFERING 19
INVESTOR SUITABILITY 28
USE OF PROCEEDS 30
PLAN OF DISTRIBUTION 31
INVESTMENT STANDARDS AND POLICIES 31
MANAGER AND COMPANY COMPENSATION 36
MANAGEMENT OF THE COMPANY 37
KEY PERSONNEL 38
RISK FACTORS 38
GENERAL INVESTMENT RISKS 39
COMPLIANCE AND REGULATORY RISKS 42
GENERAL BORROWER-RELATED RISKS 43
BUSINESS RISKS 48
ADDITIONAL ASSET CLASS RISKS 53
CONFLICTS OF INTEREST 56
CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS 59
ERISA CONSIDERATIONS 66
ADDITIONAL INFORMATION AND UNDERTAKINGS 68

NASAA UNIFORM LEGEND

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES 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 FORGOING 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, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE MADE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR RESIDENTS OF FLORIDA. THE SECURITIES REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE HOLDER IN A TRANSACTION EXEMPT UNDER § 517.061 OF THE FLORIDA SECURITIES ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL FLORIDA RESIDENTS SHALL HAVE THE PRIVILEGE OF VOIDING THE PURCHASE WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.

NOTICE TO ALL NON-U.S. INVESTORS GENERALLY

THE DISTRIBUTION OF THIS MEMORANDUM AND THE OFFER AND SALE OF NOTES IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES MAY BE RESTRICTED BY LAW. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH JURISDICTION. PROSPECTIVE NON-U.S. INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND THE TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF THE NOTES OFFERED HEREBY, AND ANY FOREIGN EXCHANGE OR OTHER NON-U.S. RESTRICTIONS THAT MAY BE RELEVANT THERETO. THIS MEMORANDUM DOES NOT ADDRESS INTERNATIONAL LAWS, RULES OR REGULATIONS (INCLUDING, WITHOUT LIMITATION, TAXATION, SECURITIES AND/OR INVESTMENT LAWS, RULES OR REGULATIONS OF ANY FOREIGN JURISDICTION).

IRS CIRCULAR 230 NOTICE

PURSUANT TO U.S. INTERNAL REVENUE SERVICE CIRCULAR 230, THE STATEMENTS SET FORTH HEREIN WITH RESPECT TO FEDERAL TAX ISSUES, AS DEFINED BELOW, WERE NOT INTENDED NOR WRITTEN TO BE USED, AND SUCH STATEMENTS CANNOT BE USED BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING ANY PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER UNDER THE U.S. INTERNAL REVENUE CODE. SUCH STATEMENTS WERE WRITTEN TO SUPPORT THE MARKETING OF THE NOTES OR MATTERS ADDRESSED HEREIN.

IT IS POSSIBLE THAT ADDITIONAL ISSUES MAY EXIST THAT WOULD AFFECT THE FEDERAL TAX TREATMENT OF AN INVESTMENT IN THE NOTES AND THE STATEMENTS CONTAINED HEREIN DO NOT CONSIDER OR PROVIDE ANY CONCLUSIONS WITH RESPECT TO SUCH ADDITIONAL ISSUES. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR. A "FEDERAL TAX ISSUE" IS A QUESTION CONCERNING THE FEDERAL TAX TREATMENT OF ANY ITEM OF INCOME, GAIN, LOSS, DEDUCTION OR CREDIT, THE EXISTENCE OR ABSENCE OF A TAXABLE TRANSFER OF PROPERTY, OR THE VALUE OF PROPERTY FOR PURPOSES OF ANY TAX IMPOSED BY OR PURSUANT TO THE U.S. INTERNAL REVENUE CODE. (SEE "CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS" BELOW.)

SUMMARY OF THE OFFERING

The following information is only a brief summary of, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. This Memorandum, together with the Series Note Supplement (made available to prospective investors on the Platform) should be carefully reviewed by investors in their entirety before any investment decision is made. Taken together with this Memorandum, the Indenture, any supplemental indenture (if any) and the form of Note, the Series Note Supplement will contain the authoritative description of any series of Notes offered by the Company.

THE COMPANY	YS ALTNOTES II LLC is a Delaware limited liability company. The Company is located at 300 Park Avenue, 15th Floor, New York, New York 10022. The Company is offering by means of this Memorandum multiple series of Notes on a "best efforts" and ongoing basis to qualified investors who meet the investor suitability standards as set forth herein. (See "Investor Suitability" below.) As further described in the Memorandum, the Company has been organized as a special purpose entity, with its limited purpose being to issue the Notes and conduct the following business: (1) fund, make, acquire, originate and/or purchase Loans, including Real Estate Loans and Asset-Based Loans; and (2) purchase, acquire or invest in Participation Interests and Other Investments. (See "Investment Standards and Policies" below.) The Company will conduct its business by creating, for each investment(s), an SPV wholly-owned by the Company solely to fund, purchase, hold, acquire or originate the Investment(s). (See "Investment Standards and Policies" below.)
MANAGER'S COMPENSATION	YieldStreet Management, LLC, a Delaware limited liability company, shall serve as the Manager of the Company. The Manager will receive compensation for its services to the Company and is subject to several conflicts of interest, including, without limitation, its affiliate relationship with the Company. (See "Manager and Company Compensation" below.) The Company will also receive a variety of compensation and income. (See "Risk Factors", "Compensation" and "Conflicts of Interest" below.)
CERTAIN FEATURES OF THE NOTES	The Notes will be special, limited debt obligations of the Company. Payments under each Note will be tied solely to the performance of the underlying Investment(s) owned by the SPV. (See "Terms of the Offering" below.) The Company will issue Notes for the Investment(s) held by each SPV. All payments received by the SPVs on Investments will be distributed

	to the Company, as its sole member. The Notes will be solely dependent on the payments the SPV (and therefore in turn the Company) receives in respect of its applicable Investment(s) and the obligations of the SPV to any SPV Facility Provider. (See "Terms of the Offering" below.) The Company does not guarantee payment of the Notes or the underlying Investments, and the Notes are not obligations of the Investment Parties. **To the extent an SPV (and in turn the Company) is unable to collect payments (or portions thereof) under an underlying** Investment**, the Company will not be obligated to make any corresponding payment (or portion thereof) under the series of Notes based on such underlying** Investment**(s).** Each series of Notes will have its own set of terms. Generally, each Note will bear interest from the date of issuance, but different series of Notes will have different interest rates and have different terms to maturity, depending on the underlying Investment(s). Within a series of Notes, interest rate schedules will be standardized. Some series of Notes may also provide for additional contingent payments upon the occurrence of certain events (any such contingent payments shall be described in detail in the Series Note Supplement).
TERM	The term of each of the Notes will vary. Generally, the terms of the Notes will be between one (1) to forty-eight (48) months, with the possibility of terms of less than one (1) month or up to six (6) years.
INTEREST RATE	The interest rate on each Note will vary depending on the interest rate payable to the SPV or other cash flows owing to the SPV on the underlying Investment(s). Subject to the foregoing, the Company expects that the interest rates offered by the Company on each Note will generally range from eight percent (8%) to fifteen percent (15%), however the interest rates may be lower. Noteholders will be entitled to interest payments for the term of the Notes, provided that such payments to the Noteholders will be solely dependent upon the receipt by the SPV (and in turn the Company) of payments received in respect of the underlying Investment(s) and the obligations of the SPV to any SPV Facility Provider.
SECURITY INTEREST	The Notes will not be contractually senior, or subordinated, to other indebtedness (if any) that the Company incurs, but they will be structurally subordinated to any SPV Facility Providers, and the security interest in our equity interest of the SPVs held by the Trustee for the ratable benefit of the Noteholders will be subordinated to the security interest of the SPV Facility Providers, in each case, to the extent any SPV has outstanding obligations owing to such SPV Facility Providers. All Notes will be special, limited obligations of the Company. The Trustee shall be the secured party for itself and for the ratable benefit of each Noteholder in each series of Notes by holding a security interest in, *inter alia*, the equity interests of the subject SPV that owns the Investment(s) and the related Series Sub-Account. In accordance with the terms of the Indenture, the Company shall be required to file (on behalf of the Trustee) a UCC-1 financing statement to perfect a security interest in the Collateral in which a security interest can be perfected by filing a UCC-1 financing statement.

	In the event that Investment(s) are prefunded, the Investment(s) may be funded or assigned by a Funding Entity. In addition, an SPV may obtain Leverage Facilities (or other similar arrangements) from one or more secured Leverage Providers. If Investment(s) are acquired or entered into using (or if an SPV otherwise utilizes) a Credit Facility, the Notes will be structurally subordinated to the SPV Facility Provider's interest until all obligations of the related SPV to such SPV Facility Provider under the related Credit Facility have been paid in full. In the case of a Funding Entity, this will occur only once the equivalent of the entire balance of the subject SPV's Investment(s) is funded by Noteholders and received by the Company. The Company expects this process to take approximately two to three weeks, but such period of time could be shorter or longer. In the case of a Leverage Provider, this may not occur until the end of the term of the Notes. By accepting any Note, each Noteholder shall be deemed to acknowledge and agree, that it shall be subordinate (in all respects, including with respect to any lien) to any SPV Facility Provider with respect to any SPV until any related Credit Facilities for that SPV have been paid in full; *provided however* that, notwithstanding anything in the foregoing to the contrary, the Company shall be permitted to make interest payments to Noteholders when such interest payments are due to the extent permitted by the terms and conditions of any Credit Facility. The Notes will not be secured by any other assets of the Company (including for the avoidance of doubt the Company's membership interests in an SPV collateralizing a different series of Notes issued by the Company). Except for the limited pledge of Collateral described herein, the Notes are non-recourse obligations of the Company. **Only the Trustee, not the Noteholders, has a security interest in the Collateral.**
CERTAIN FEES AND EXPENSES	Payments made under the Notes shall be net of (i) principal, interest and fees owing by the SPV to any SPV Facility Provider, (ii) fees to the Manager, (iii) Series Expenses, (iv) Company Expenses, (v) Access Fees and (vi) Reserves. "***Access Fee***" means an amount equal to 0.25% of the aggregate outstanding amount of each series of Securities, which shall be allocated to each Holder in a series of Securities and is intended to cover, inter alia, product, design and technology services the Manager provides in connection with the offering of the Securities on the Platform, which shall be calculated on a daily basis on the basis of a 365-day fiscal year; *provided, however*, that the Manager shall have the sole discretion to modify the Access Fee as an incentive to individual Holders. The Manager shall enter into a services agreement with the YieldStreet Inc. (the "***Parent***") providing services attributable to the Access Fee, which will detail the payment of the Access Fee to the Parent. The Access Fee shall be nonrefundable for any reason whatsoever and shall be in addition to any other fees or amounts payable to the Manager under this Indenture or the applicable Note.

	"***Company Expense***" shall mean certain expenses borne and paid directly by the Company (whether on its own behalf or on behalf of the Manager) and shall include, without limitation, all out-of-pocket fees, costs, expenses, liabilities and obligations relating or attributable to relating to the Company, the series of Notes, and/or their activities, business, or actual or potential investments, including Expenses. "***Series Expense***" shall mean certain expenses borne by the Company (whether on its own behalf or on behalf of the Manager) and either paid directly by, or allocated to, one or more series of Notes and shall include, without limitation, all out-of-pocket fees, costs, expenses, liabilities and obligations relating or attributable to relating to the Company, the series of Notes, and/or their activities, business, or actual or potential investments, including Expenses. (collectively, the "***Company Expenses"***). Company Expenses and Series Expenses may be attributable to activities or services provided by the Manager or its affiliates and paid to the Manager (in addition to the Management Fee) or its affiliates. "***Expenses***" shall mean (i) start-up, offering and organizational expenses, (or such share thereof as determined by the Manager in its discretion), including, without limitation, the costs of negotiating contracts with service providers and other related legal, accounting and administrative expenses, including the Company's annual Delaware franchise and registered agent fees, the Company's annual audit fees and the preparation of the Company's annual tax returns and other related legal, accounting and administrative expenses, including the Company's allocable portion of expenses in connection with in-house legal, accounting, audit, compliance, tax, administrative, finance, and other types of personnel or employees that provide support to the Company, its Affiliates or the Investments; (ii) activities with respect to the sourcing, structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, selling, valuing, winding up, liquidating, or otherwise disposing of, as applicable, the Structured Notes and potential investments or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys (whether in-house or external), accountants (whether in-house or external), tax professionals, investment bankers, lenders, third-party diligence and investment-related software (including research, analytics, data enrichment and engagement software and other tools utilized by the Company and/or the management teams, and service providers, consultants and similar professionals in connection therewith) and any fees and expenses, for the avoidance of doubt, also includes investment activity from prior to the initial issuance date of the series of Notes; (iii) indebtedness of, or guarantees made by, the Company or the series of Notes, the Manager, or any "affiliated person" on behalf of the Company or the series of Notes (including any credit facility or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iv) financing, commitment, origination and similar fees and expenses; (v) broker, dealer, finder, underwriting (including both

	commissions and discounts), loan administration, loan servicing, private placement fees, sales commissions, investment banker, finder and similar services; (vi) brokerage, sale, custodial, depository, trustee fees, expenses and indemnities, record keeping, account, registered office, registered agent and similar services; (vii) in-house and/or external legal, accounting, research, auditing, investor reporting (including software), administration (including fees and expenses associated with any third-party administrator and administration or reporting software, if any, as well as costs and expenses incurred in connection with engaging one or more administrators and/or similar persons to provide services in connection with anti-money laundering, "know your client" and treasury matters), transfer agency, information, appraisal, advisory, valuation (including third-party valuations, fairness opinions, appraisals or pricing services), consulting, tax and other professional services (including costs related to the establishment or maintenance of any such activities or services); (viii) liquidation and termination and other similar fees, including any related damages and indemnification costs; (ix) insurance (including fidelity bond, management or officer liability, cybersecurity, errors and omissions liability, crime coverage and liability premiums and other insurance and regulatory expenses including any costs and expenses related to any retention or deductibles and broker fees, costs and commissions) and any consultants or other advisors utilized in the procurement, review and analysis of insurance policies; (x) filing, title, transfer, registration and other similar fees and expenses; (xi) printing, communications, marketing and publicity; (xii) the preparation, distribution or filing of Company-related or Notes-related financial statements or other reports, tax returns, tax estimates, Schedules K-1, FATCA, CRS, and similar reporting and compliance, or any other administrative, compliance or regulatory filings or reports (including Form PF, and any reports or surveys required or requested by the U.S. Bureau of Economic Analysis, the Department of the Treasury, or any other federal or state authority), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xiii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software (including accounting, investor reporting, ledger systems, financial management and cybersecurity) or other administrative or reporting tools (including subscription-based services) for the benefit of the Company; (xiv) any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information (including any costs and expenses incurred in connection with FOIA or data protection laws); (xv) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any person pursuant to the operating agreement and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the operating agreement), except as otherwise set forth in the operating agreement; (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of any discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xvii) [reserved]; (xviii) the Management Fee; (xix) except as otherwise determined by the Manager in

	its sole discretion, any fee, cost, expense, liability or obligation relating to any Company subsidiary, alternative investment vehicle or special purpose vehicle established by the Manager or any of its affiliates to pursue an SPV's investment strategy, or their respective activities, business, or actual or potential investments; (xx) the termination, liquidation, winding up or dissolution of the Company, the series of Notes, and any legal entities owned directly or indirectly by the Company or the series of Notes; (xxi) [reserved]; (xxii) except as set forth in the operating agreement, amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Company, the Manager, any entities owned directly or indirectly by the Company and related entities and any alternative investment vehicle or special purpose vehicle of the Company, including the preparation, distribution and implementation thereof; (xxiii) compliance with any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations) related to the activities of the Company (including any in-house and/or external legal fees, administrator, consulting or other third-party service provider costs and expenses related thereto), any in-house and/or external regulatory expenses of the Manager or any of its affiliates incurred in connection with the operation of the Company and costs related to compliance with any environmental, social or governance or other investment considerations and policies (such as costs for annual reports and consultants in connection therewith) applicable to the Company, the series of Notes, and/or the Manager; (xxiv) any litigation or governmental inquiry, investigation or proceeding involving the Company and/or the series of Notes, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the operating agreement; (xxv) any third-party experts, including independent appraisers, accountants, and/or investment banks, engaged by the Manager in connection with the Company considering, making or holding an investment in the same entity as one or more other investment vehicles or accounts managed or sponsored by the Manager or its affiliates; (xxvi) [reserved]; (xxvii) any taxes (including withholding taxes), fees and other governmental charges levied against the Company, any special purpose vehicle, any alternative investment vehicle or intermediate entity and all expenses incurred in connection with any tax audit, inquiry, investigation settlement or review of the Company, to the extent related to the Company, the series of Notes, any special purpose vehicle, any alternative investment vehicle or intermediate entity; (xxviii) expenses associated with the acquisition, holding and disposition of the Subordinated Notes, including expenses that are classified as extraordinary expenses under U.S. GAAP; (xxix) [reserved]; (xxx) any travel (up to but not exceeding the cost of first class commercial airfare, other air travel, car or ride sharing services, other modes of transportation and, meals), and lodging relating to the activities of the Company and the SPVs, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxi) any of the items listed in clauses (i) through (xxx) above relating to any investment, restructuring, disposition, transaction, project or other opportunity not consummated or otherwise not successful; (xxxii) any

	placement fees paid to a placement agent; (xxxiii) developing, structuring, operating and winding up administrative structures in any foreign jurisdiction that are put in place to operate the Company's and the SPV's investment activities (including any travel and accommodation expenses related to such structures that would be Company Expenses or Series Expenses under clause (xxix) and/or (xxx) were they the expenses of the Company or the series of Notes, as well as, the salary and benefits of any personnel reasonably necessary for the maintenance of such structures, or other overhead and rent expenses in connection therewith); (xxxiv) except to the extent the Manager, acting reasonably, determines that a feeder Company should bear the same, all costs and expenses associated with operating a feeder Company which invests all or substantially all of its assets in the SPV, including all expenses associated with its organization, management, operation, winding up, liquidation and dissolution and with preparing and distributing such feeder Company's financial statements, tax returns and feeder Company limited partner reports, but not including any income-based or similar taxes, fees or other governmental charges levied against such feeder Company; (xxxvii) any other In-House Expenses, to the extent not already described in this definition and (xxxviii) any other fees, costs, expenses, liabilities or obligations approved by the Manager. The allocations or charges of Expenses are determined in accordance with the Manager's expense allocation policy. ***"In-House Expenses."*** The cost of in-house personnel and employees in connection with (i) fund administration and accounting (including, without limitation, maintenance of the Issuer's books and records, preparation of net asset value and other valuation support services, as applicable (e.g., valuation model and methodology review, review of third party due diligence conclusions and sample testing); audit support (e.g., audit planning and review of annual financial statements); and tax support services (e.g., annual tax and VAT returns and FATCA and CRS compliance)); and (ii) the provision of legal advice and other related services to the Company, the applicable SPV or any feeder vehicle, any parallel vehicle or any other special purpose vehicle or legal entity owned, in whole or in part, by the Company (collectively, "***Company Entities***") or to the Manager (or any affiliate thereof) relating to activities on behalf of or for the benefit of the Company or any Company Entities (including, without limitation, legal advice and services with respect to entity organization, formation of the Company and Company Entities, preparation and amendment of the governing documents and offering documentation of the Company or any Company Entities (such as preparation of this private placement memorandum and any other Company offering documents), securities law advice, structuring, due diligence, preparation for and participation in investment committee meetings and deliberations, document drafting and negotiation, closing preparation, post-closing activities (such as compliance with contractual terms and providing advice for investment-level matters with respect to fiduciary and other obligations and issues), workout, litigation, compliance or regulatory matters, services with respect to the making and financing of investments, supervision of external counsel and service providers, communications with relevant internal and external parties and reviewing

	and structuring exit opportunities). The allocations or charges of in-house services (including In-House Expenses) to the Holders is determined in accordance with the Manager's expense allocation policy. The Manager may establish reserves or holdbacks (collectively, "***Reserves***") for contingencies (even if such reserves or holdbacks are not in accordance with U.S. Generally Accepted Accounting Principles). Reserves will be in the amounts (subject to increase or reduction) which the Manager, in its sole discretion, deems necessary or appropriate. Reserves may placed in an interest-bearing account or otherwise invested or dealt with in such other manner as the Manager may determine in its sole discretion.
SUITABILITY STANDARDS	The Notes are offered exclusively to certain individuals, Keogh plans, individual retirement accounts and other qualified investors who meet certain minimum standards of income and/or net worth. Each Noteholder must execute a Subscription Agreement making certain representations and warranties to the Company, including such purchaser's qualifications as an "Accredited Investor" as defined by the SEC in Rule 501(a) of Regulation D, prior to being allowed to purchase Notes in this Offering. (See "Investor Suitability" below.)
OFFERING OF NOTES	The Company will be offering a maximum of Five Hundred Million Dollars ($500,000,000) of Notes (the "***Maximum Offering Amount***"). The minimum investment amount for the Notes is Five Thousand Dollars ($5,000) (the "***Minimum Investment Amount***"). The Company intends to limit the Offering of Notes as further set forth below. (See "Terms of the Offering" below.)
PAYMENT DATES	Payments on the Notes will depend on the terms of each series of Notes. Generally, payments are expected to be on a monthly basis during the term of the Note, but may be more or less frequent. Payments will only be made to the extent that the SPV (and therefore in turn the Company) receives payments in respect of the Investments(s).
PREPAYMENT OF NOTES	The Company may prepay all or a portion of any Note before the Stated Maturity Date of the Note in the Company's sole and absolute discretion. The Company will not incur any penalties for prepaying any Note at any time.
USE OF PROCEEDS	The proceeds of each series of Notes may be used to repay funds borrowed by the SPV from the Funding Entity to fund, acquire, purchase, hold or originate an Investment, to pay for the assignment of an Investment by the Funding Entity to the SPV or in certain cases to make additional capital contributions to the SPVs to fund, acquire, purchase, hold or originate an Investment.
ORIGINATION, SERVICING AND MANAGEMENT	The SPVs or other affiliates of the Company, or a third-party originator (an "***Originator***") may originate Investments. The servicer, whether an Originator, sponsor, affiliate of the Company or a third party, shall be referred to as the "***Servicer***". It is presently anticipated that all Investments (including Loans and the loans in which Participation Interests have been acquired) will be serviced (*i.e.*, loan or other payments collected and other services relating to the Investment) by a third-party Servicer, typically the Originator or sponsor of the Investment. The Manager reserves the right,

	at its sole and absolute discretion, to serve as Servicer or to retain the services of an affiliate to act as Servicer for any reason (or no reason).
NO LIQUIDITY	There is no public market for the Notes and none is expected to develop. Additionally, there are substantial restrictions on any transferability of Notes. (See "Risk Factors – General Investment Risks" below.)
LOSS RESERVE	The Company may elect to establish a loss reserve to protect it against damages or losses caused by potential unrecoverable losses. The loss reserve will be evaluated and established on a case-by-case basis at the sole and absolute discretion of the Manager. Although the loss reserve will help reduce the impact of defaults temporarily, ultimate repayment/resale of the Investments will be jeopardized to the extent that any Investments are impaired or in default and are not eventually repaid or resold, whether by the applicable Investment Party or by the Company, to protect available collateral. Depending on reserve overages and the weighted risk levels of the portfolio, reserve amounts may be reduced, eliminated or increased accordingly in the sole and absolute discretion of the Manager. The loss reserve may be funded from the SPV's cash flow and/or capital contributions funded by the Company's cash flow or profits (as is determined by the Manager in its sole discretion). In addition, the Manager on behalf of the appropriate SPV shall have no responsibility or obligation to establish and/or restore a loss reserve once it has been depleted. The loss reserve for any SPV will be available to satisfy claims of SPV Facility Providers before being available to Noteholders of the corresponding series.
INCENTIVES	The Manager has offered and anticipates that it will continue to offer a range of incentives to investors based on a number of factors including but not limited to: (i) whether this offering has not been fully allocated and remains open after a certain amount of time (generally, approximately 30-90 days), (ii) an investor making an investment for the first time or (iii) an investor making his/her first investment after a specified amount of time (generally, approximately six months). Investors who are eligible for an incentive are generally expected to receive $200 for every $10,000 invested in a given offering (though the terms of any such incentive are subject to the terms and conditions stated at such time). Please also be aware that the Manager has offered and plans on offering various promotions and other incentives to investors. Investors who have received or will receive these promotions or incentives may invest in this offering, even if such promotions or incentives were not available to all investors at the time of their investment. No investor will be automatically entitled to a promotion or incentive based on the foregoing and there can be no guarantee that the Manager will offer any or all of these promotions or incentives at any given time or at all.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES	No authority directly addresses the treatment of the Notes or instruments similar to the Notes for U.S. federal income tax purposes. Although the matter is not free from doubt, the Company intends to treat the Notes as indebtedness of the Parent (as sole owner of the Company) for U.S. federal income tax purposes. Under this treatment the Notes will have original issue discount ("***OID***") for U.S. federal income tax purposes because the Parent and the Company are not unconditionally obligated to pay interest on the Notes, and payments are made to the Noteholders only to the extent payments are received by the Company on the underlying Investment(s). Furthermore, a Noteholder will generally be required to include the OID as ordinary interest income for U.S. federal income tax purposes as it accrues (which may be in advance of interest being paid on the Note), regardless of such Noteholder's regular method of tax accounting. Prospective purchasers of the Notes should consult their own tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences of the purchase and ownership of the Notes, including any possible differing treatments of the Notes. See "Certain U.S. Federal Income Tax Considerations" for more information.

FORWARD LOOKING STATEMENTS

This Memorandum contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this Memorandum regarding our investments, our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth are forward-looking statements. Noteholders should not rely on forward-looking statements in this Memorandum because they are inherently uncertain. We use words such as "anticipated," "projected," "forecasted," "estimated," "prospective," "believes," "expects," "plans," "future," "intends," "should," "can," "could," "might," "potential," "continue," "may," "will," and similar expressions to identify these forward-looking statements. Noteholders should not place undue reliance on these forward-looking statements, which may apply only as of the date of this Memorandum. We have included important factors in the cautionary statements included in this Memorandum, particularly in the "Risk Factors" section, that could cause actual results or events to differ materially from forward-looking statements contained in this Memorandum.

There are a number of important factors that could cause actual results or events to differ materially from those indicated in the forward-looking statements, including, among other things: (i) the performance of the Notes, which, in addition to being speculative investments, are special, limited obligations that are not guaranteed or insured; (ii) the Company's ability to make payments on the Notes, including in the event that obligors fail to make payments on the corresponding Investments; (iii) the Company's ability to attract potential Investment Parties and investors to the Platform; (iv) the reliability of the information about Investment Parties that is supplied by Investment Parties including actions by some Investment Parties to defraud investors; (v) the Servicer's ability to service the underlying Investments, and the Company or Servicer's ability or the ability of a third-party collector to pursue collection against any Investment Party, including in the event of fraud or identity theft; (vi) credit risks posed by the creditworthiness of borrowers, obligors or other Investment Parties; (vii) potential efforts by state regulators or litigants to impose liability that could affect a lender's (or any subsequent assignee's) ability to continue to charge to borrowers the interest rates that they agreed to pay at origination of their loans; (viii) the impact of future economic conditions on the performance of the Notes and the loss rates for the Notes; (ix) the Company's compliance with applicable local, state and federal law, including the Investment Advisers Act of 1940, the Investment Company Act of 1940 and other laws; (x) the Company's compliance with applicable regulations and regulatory developments or court decisions affecting its business; (xi) the application of federal and state

bankruptcy and insolvency laws to borrowers and to the Company and the SPVs; (xii) the impact of obligor or Investment Party delinquencies, defaults and prepayments on the returns on the Notes; (xiii) the lack of a public trading market for the Notes and the lack of any trading platform on which investors can resell the Notes; (xiv) the terms of indebtedness or other leverage incurred by any SPV to any SPV Facility Provider; and (xv) the other risks discussed under the "Risk Factors" section of this Memorandum.

There may also be other factors that could cause our actual results to differ materially from the forward-looking statements in this Memorandum. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. You should carefully read the factors described in this Memorandum for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

TERMS OF THE OFFERING

This Offering is made to a limited number of qualified investors to invest in Notes that are issued by the Company. These Notes will generally have the features described below. The proceeds from the sale of each series of Notes will be used to repay funds borrowed by the SPV from the Funding Entity to fund, acquire, purchase, hold or originate the applicable Investment(s), to pay for the assignment of Investments by the Funding Entity to the SPV or to make additional capital contributions to the SPV to fund, acquire, purchase, hold or originate the applicable Investment(s). The brief summary of the features of the Notes provided below is qualified in its entirety by the terms and provisions of the Indenture and the actual Notes for each series. In the event of any conflict between the short summary presented below and the actual terms and provisions of the Indenture and the actual Notes for a series, the latter shall govern.

PROSPECTIVE INVESTORS SHOULD CAREFULLY READ THE TERMS AND PROVISIONS OF THE INDENTURE AND NOTES IN THEIR ENTIRETY AND EXPRESSLY WAIVE ANY CAUSE OF ACTION OR CLAIM ASSERTING THAT HE, SHE OR IT RELIED ON THE SUMMARY OF THE INDENTURE AND NOTES DESCRIBED BELOW IN LIEU OF, OR IN CONTRAINDICATION TO, THE TERMS AND PROVISIONS OF THE INDENTURE AND ACTUAL NOTES.

The Notes and the Indenture - General

On December 29, 2022, the Company and Delaware Trust Company, as Trustee, entered into the Indenture. The Indenture contains provisions that define your rights under the Notes. In addition, the Indenture governs the obligations of the Company under the Notes. The terms of the Notes include those stated in the Indenture (including the form of Note attached to the Indenture). The Indenture is governed by the laws of the State of New York.

General Terms of the Notes

The Company is offering multiple series of Notes that are special, limited debt obligations of the Company that are tied to the performance of particular underlying Investment(s) owned by the SPV formed by the Company with respect to such series of Notes. The Company anticipates that all SPVs will be managed by the Manager. Each SPV shall own Investment(s) that will entitle the SPV to receive payments therefrom. Accordingly, the Company's obligations to make payments to Noteholders owning the Notes will be solely dependent upon the payments received by the SPV pursuant to the Investment(s) it owns, and the obligations of the SPV to any SPV Facility Provider. The SPV shall be required to promptly distribute all payments it receives on Investments to the Company, as its sole member. The Notes are secured primarily

by the membership interests in each SPV owning such Investments(s), but not by any other assets of the Company (including any other membership interests in SPVs related to other series of Notes).

The Notes will be denominated in U.S. dollars and will be issued in series under the Indenture. The Indenture does not limit the aggregate principal amount of Notes that the Company can issue under the Indenture. In addition, the Indenture does not contain any provisions that limit the Company's ability to incur indebtedness in addition to the Notes. Each series of Notes will correspond to specific underlying Investment(s) owned by an SPV, and payment on the Notes will solely depend on payments the Company receives on the corresponding underlying Investment(s), and the obligations of the SPV to any SPV Facility Provider. The Company has no obligation to make any payments on the Notes unless, and only to the extent that, it has received payments on the corresponding underlying Investment(s).

The Notes will not be secured by any other assets of the Company (including any membership interests in an SPV that is not provided as Collateral for the applicable Note). Except for the limited security interest described in this Memorandum, the Notes are non-recourse obligations of the Company. The Company does not guarantee payment of any Notes, the underlying Investments, and the Notes are not obligations of the underlying Investment Parties. All payments received by the SPVs on the Investments will be distributed to the Company, as its sole member. **To the extent the SPV (and therefore in turn the Company) is unable to collect payments (or portions thereof) under underlying Investment(s), the Company will not be obligated to make any corresponding payment (or portion thereof) under the series of Notes based on such underlying Investment(s).** Each series of Notes will have its own set of terms. Generally, each Note will bear interest from the date of issuance, but different series of Notes will have different interest rates and have different terms to maturity, depending on the underlying Investment(s). Noteholders must consult the applicable Series Note Supplement in respect of each Note, a copy of which will be posted online on the Platform, to review and evaluate the specific terms and conditions associated with any particular Note.

The Company intends to offer the Notes to investors at varying interest rates per annum, which will vary based on the underlying risk and terms of the Investment(s), and prevailing market interest rates for the Investment(s). **The terms set forth below are an intended structure for the Notes. The Company may, in its sole and absolute discretion, accept or approve terms for the Notes that are inconsistent with the terms set forth below. Any such changes would be set forth in the Series Note Supplement, a supplemental indenture (if necessary) and the specific terms of the Note for such series.**

(1) Form. The Company will issue the Notes only in registered, electronic form through www.yieldstreet.com. In other words, each Note will be recorded in the Note register maintained by the Company on the Platform. A Noteholder may view a record of the Notes such Noteholder owns and the form of its Notes online and print copies for their records by visiting such Noteholder's secure, password-protected account on the Platform. The Company will not issue physical certificates for the Notes. Investors will be required to hold their Notes through the Company's electronic Note register. The Note, Indenture, and Subscription Agreement will be electronically executed by the Company and each will be made available to the Noteholder on the Platform in downloadable format. The website provides various forms of customer support should the investor have any questions about the mechanics of investing or navigation on www.yieldstreet.com.

(2) Term. The term of each of the Notes will vary. Generally, the terms of the Notes will be between one (1) to forty-eight (48) months, with the possibility of terms of less than one (1) month or up to six (6) years.

(3) Interest Rate. The interest rate on each Note will vary depending on the interest rate(s) or expected cash flow payable to the SPV on each underlying Investment(s). Subject to the foregoing,

the Company expects that the interest rates offered by the Company on each Note will generally range from eight percent (8%) to fifteen percent (15%), however the interest rates may be lower. Noteholders will be entitled to interest payments for the term of the Notes, provided that such payments to the Noteholders will be solely dependent upon the receipt by the SPV (and in turn the Company) of payments received in respect of the underlying Investment(s). In certain cases, Notes may amortize during the term of the Note or because of the nature of the underlying asset (*e.g.*, event-based litigation financing), there may be principal paydowns on the Note at irregular intervals. Payments to Noteholders will only be made only to the extent that the SPV (and in turn the Company) receives payments on the corresponding underlying Investment(s), net of amounts owing by the related SPV to any SPV Facility Provider. Interest shall be computed in accordance with the calendar convention set forth in the underlying Investment(s).

A particular series may feature additional contingent payment provisions reflecting a similar feature in the underlying Investment(s) (*e.g.,* an origination fee, exit fee, equity kicker or profit sharing arrangement), whereby Noteholders may be able to realize additional payments upon the occurrence of certain events during the term of the underlying Investment(s). If applicable to a particular series of Notes, any such contingent payments will be so noted in the specific Note for such series as an "***Additional Amount***" and such Additional Amount will be described in detail in the Series Note Supplement and in the specific Note for such series.

(4) Interest Rate Payments. Noteholders will receive payments from the Company as set forth in greater detail in the Note (either on a monthly, quarterly or other basis). Payments to Noteholders will be made only to the extent that the SPV (and in turn the Company) receives payments on the corresponding underlying Investment(s), net of amounts owing by the related SPV to any SPV Facility Provider. The Company shall make these payments as interest-only and shall not be required to make any payment of the principal balance until the Stated Maturity Date, except as otherwise described in "Principal Payments" below.

(5) Principal Payments. Principal payments on the Notes will be made to Noteholders in accordance with the terms of the underlying Investment(s), provided that such payments to the Noteholders will be made only to the extent that the SPV (and in turn the Company) receives principal payments on the corresponding underlying Investment(s), net of amounts owing by the related SPV to any SPV Facility Provider. In certain cases, Notes may provide for balloon principal payments, amortization during the term of the Note or principal paydowns at irregular intervals given the nature of the underlying asset (*e.g.* event-based litigation financing). Principal payments to Noteholders will be made only to the extent that the SPV (and in turn the Company) receives principal payments on the corresponding underlying Investment(s).

(6) Certain Fees and Expenses. Payments made under the Notes shall be net of (i) principal, interest and fees owing by the SPV to any SPV Facility Provider, (ii) fees to the Manager, (iii) Series Expenses, (iv) Company Expenses, (v) Access Fees and (vi) Reserves. Noteholders will be responsible for all cash expenditures made by the Company and all expenses borne by the Company (including Series Expenses).

(7) Order of Application of Payments. Each distribution from an SPV, representing payments under each Investment owned by that SPV after deduction of fees and expenses of that SPV and obligations owed by that SPV under any Credit Facility, will be deposited in the Series Sub-Account for that SPV and will be paid from that Series Sub-Account in the following order: (a) to pay costs, fees, charges, and advances paid or incurred by Company or payable to the Company (including but not limited to fees to the Manager, certain annual operating expenses of the Company (as described above), and any additional expenses incurred and advances made by the Company or the Manager associated with litigation, defaults or foreclosure) and interest under any provision of the Note or the Indenture, in such order as the

Company, in its sole and absolute discretion, elects, (b) to pay interest on the Notes of the corresponding series, (c) to repay principal of the Notes of the corresponding series; and (d) any excess proceeds or residual amounts, if any, as specified in the Series Note Supplement.

(8) Stated Maturity Date. The Notes will mature at the end of the given term of the underlying Investment(s), unless the underlying Investment(s) is extended, in which case the maturity of the Notes may be extended or modified in accordance with the servicing standard set forth in Section 3.5 of the Indenture to the time when all payments from the Investment(s) are expected to be collected (such initial, extended or modified maturity date, the "***Stated Maturity Date***"). The Company shall not be obligated to make payments under the series of Notes based on such underlying Investment(s) if a Loan borrower or other applicable Investment Party fails to make payments under a Loan or payments or distributions are not received under an Investment. In addition, all unpaid payments to the Noteholder shall be due and payable and added to the principal balance of the corresponding Notes; *provided, however*, any unpaid interest shall not be compounded.

(9) Collateral. Pursuant to the Indenture, the Company shall pledge, assign and grant to the Trustee, as security for payment and performance of all of the Company's obligations pursuant to the Indenture and each particular series of Notes, for itself and for the benefit or on behalf of the respective and applicable Noteholders for such series: (a) all of the Company's membership interests in the SPV formed with respect to such series of Notes, (b) the applicable Series Sub-Account, and (c) all accounts, cash and other assets and receivables owned by such SPV for the benefit of the Noteholders for such series. Only the Trustee, and not the Noteholders, has a security interest in the Collateral. (See "General Terms of the Indenture" below).

The Trustee's security interest in the Series Sub-Account will not be perfected by control. Identifiable cash distributed to the Company from its SPVs in respect of its equity interests in the SPVs will be temporarily perfected for a period of twenty (20) days from receipt thereof. The Company anticipates that each such distribution will be deposited into the Series Sub-Account within the temporary perfection period before the next payment date on the Notes. There can be no assurance that such cash distributions will be made within the temporary perfection period, which would cause the Trustee's security interest thereon to be not perfected. Further, it is anticipated that from time to time, the SPV will retain such cash distributions in a reserve account longer than the temporary perfection period, which would cause the Trustee's security interest thereon to be not perfected. Amounts received from Noteholders in respect of the purchase price of the Notes will be deposited in the appropriate Series Sub-Account for further remittance to the series deposit account of the related SPV. The Note offering proceeds held in a Series Sub-Account will not be perfected. After such amounts are remitted to the deposit account of the appropriate SPV they will be assets of the SPV, the equity ownership interests of which the Trustee has a security interest in, perfected by control. However, the SPV's series deposit account may be pledged to an SPV Facility Provider and the Company's right to receive distributions from that deposit account will be structurally subordinated to the claims of any SPV Facility Provider.

In the event that Investment(s) are prefunded, the Investment(s) may be funded or assigned by a Funding Entity. In addition, an SPV may obtain Leverage Facilities (or other similar arrangements) from one or more secured Leverage Providers. If Investment(s) are acquired or entered into using (or if an SPV otherwise utilizes) such Credit Facilities, the Notes will be subordinated to such SPV Facility Provider's interest until all obligations of the related SPV to such SPV Facility Provider under a Credit Facility have been paid in full. In the case of a Funding Entity, this will occur only once the equivalent of the entire balance of the subject SPV's Investment(s) is funded by Noteholders and received by the Company. The Company expects this process to take approximately two to three weeks, but such period of time could be shorter or longer. In the case of a Leverage Provider, this may not occur until the end of the term of the Notes. (See "Risk Factors – General Borrower-Related Risks" below.)

By accepting any Note, each Noteholder shall be deemed to acknowledge and agree, that it shall be subordinate (in all respects, including with respect to any lien) to the SPV Facility Provider with respect to any SPV until the related Credit Facility for that SPV has been paid in full; *provided however* that, notwithstanding anything in the foregoing to the contrary, the Company shall be permitted to make interest payments to Noteholders when such interest payments are due to the extent permitted by the terms and conditions of any Credit Facility.

Upon the occurrence and continuance of a bankruptcy or insolvency-related Event of Default, the Trustee shall become the paying agent with respect to the Notes and shall have all rights to realize upon the Collateral with respect to each series of Notes – in other words, with respect to each series of Notes, the Trustee would become the owner of the equity in the corresponding SPV and be entitled to receive the income stream received by the SPV pursuant to the Investment(s). Upon the occurrence and continuance of any other Event of Default, the Trustee will have the right, but not the obligation, to become paying agent under the Note. (See "General Terms of the Indenture" below.)

(10) Prepayment Ability by Company; No Noteholder Redemption. The Company may (in its sole and absolute discretion) prepay the Notes early at any time for any reason (or no reason) without any prepayment premium or penalty. If an Investment Party prepays an Investment, holders of the series of Notes related to that Investment will usually be entitled to receive their *pro rata* share of the prepayment, net of any accrued or owing fees, prepayment penalties or premiums, charges or other reimbursements due and payable to Company or its affiliates or third-party vendors. A Noteholder shall not have the right to demand the redemption of his, her or its Note prior to the Stated Maturity Date of the Note. The Company may, in its sole and absolute discretion, elect to redeem the Note prior to the Stated Maturity Date for an amount equal to the then outstanding principal balance of the Note plus accrued interest, if any.

(11) Risk Priority; Events of Default. Upon dissolution of the Company, in any liquidation proceeding Noteholders would generally be paid prior to any members of the Company but after senior, secured or preferred creditors of the Company, which may include, without limitation, a credit facility from a bank or financial institution, and other secured creditors. Thereafter, the remaining assets will be distributed to the members of the Company on a *pro-rata* basis, or as otherwise provided by applicable law. In the event of a bankruptcy or similar proceeding of the Company, the relative rights of the holder of a Note as compared to the holders of other indebtedness of the Company with respect to payment from the proceeds of the underlying Investments, or other assets of the Company is uncertain. (See "Risk Factors" below.) The Notes will not have the benefit of a sinking fund.

As further described in detail in the Note and Indenture, certain events of default (that remain uncured) may cause the Note to become accelerated and immediately due and payable to the Noteholder. The Company's inability to render payment pursuant to, and in accordance with, the terms of the Note may also result in seizure of the Collateral by the Trustee on behalf of the subject Noteholders, pursuant to the Indenture. The events of default include failure to make payments pursuant to, and in accordance with, the terms of the Note, bankruptcy, insolvency, and civil or criminal judgments for fraud. The Company will have the right to cure certain defaults within a limited period of time. As further explained in detail in the Note and Indenture, in the case of an Event of Default that remains uncured, the Trustee, on behalf of the Noteholder(s) may be entitled to realize the collateral consisting of membership interests in the pledged SPV that owns the Investment(s), and may be entitled to receive the income stream received by such SPV pursuant to the underlying Investment(s). Upon the occurrence and continuance of a bankruptcy or insolvency-related Event of Default, the Trustee will also become paying agent under the Note and will therefore make distributions to Noteholders under the Notes from such income stream. Upon the occurrence and continuance of any other Event of Default, the Trustee will have the right, but not the obligation, to become paying agent under the Note. (See "General Terms of the Indenture" below.) To the extent the Trustee becomes paying agent and is provided certain Noteholder information by Esquire Bank, National

Association, the Company and the Trustee have agreed, on their behalf and on behalf of the Noteholders and any third-party beneficiaries, that such bank will have no liability at law or in equity related, directly or indirectly, to such information that it provides to the Trustee. Notwithstanding the forgoing, neither the Trustee nor any Noteholder shall exercise any rights or remedies under the Indenture until any SPV Facility Provider has been paid in full by the related SPV with respect to any Credit Facility.

(11) Financial Information. Within 120 days following the end of each fiscal year of the Company, the Company will provide each Noteholder (by posting to the Platform) a copy of the audited annual financial statements of each SPV (the membership interests in respect of which the Trustee holds a security interest for such Noteholder's Note(s)).

General Terms of the Indenture

The Indenture constitutes a legally binding and enforceable agreement entered into between the Company and the Trustee pursuant to which, among other things (a) the Notes are issued by the Company in accordance with terms set forth in the Indenture and the Notes; (b) the Company grants a security interest in the Collateral to the Trustee for itself and for the ratable benefit of the Noteholders of each series of Notes, subject to certain restrictions set forth in greater detail in the Note and the Indenture; (b) the Trustee has the right to take control of the Collateral upon the occurrence and continuance of an Event of Default; (c) the Company shall, on behalf of the Trustee, file UCC-1 financing statements to perfect the security interest of the Trustee, acting as secured party for the ratable benefit of the Noteholders, in the Collateral in which a security interest can be perfected by filing a UCC-1 financing statement; and (d) the Company shall serve as the initial paying agent to hold and distribute payments to the Noteholders in accordance with the terms of their respective Notes; *provided* that upon the occurrence and continuance of a bankruptcy or insolvency-related Event of Default the Trustee shall act as paying agent and distribute payments to Noteholders. Upon the occurrence and continuance of any other Event of Default, the Trustee will have the right, but not the obligation, to become paying agent under the Note. The Trustee may exercise its legal rights to the collateral only if an Event of Default has occurred under the Indenture. Only the Trustee, not the holders of the Notes, will have a secured claim to the above Collateral.

The Indenture may be updated, amended or supplemented from time to time in accordance with the terms of the Indenture (as amended from time to time). Amended, updated or supplemental indentures will be executed by the Trustee and/or the Company (as applicable) and made available to the applicable Noteholders on the Platform.

The Indenture provides that the Trustee shall be required to keep all information obtained by it from the Company (including without limitation the names and addresses of Noteholders) strictly confidential and may not disclose such information with any third-party, except as required by law or regulation or use such information other than for the purpose of fulfilling its duties under the Indenture.

The Indenture provides that with respect to each series of Notes, the Company, an affiliate thereof or a third-party servicer shall use commercially reasonable efforts to service and collect the Investment(s) corresponding to such series, in good faith, accurately and in accordance with industry standards customary for servicing loans, participations or other investments such as the Investment(s). Notwithstanding the generality of the foregoing, the Company, an affiliate thereof and any third-party servicer of an Investment shall have the right, at any time and from time to time and subject to the foregoing servicing standard, to change the maturity date of the principal of, or any installment of principal, interest or other payment on, such Investment or reduce the principal amount thereof or the rate of interest thereon or change the place of payment where, or change the coin or currency in which, any installment of principal and interest on any Note is payable or impair the right to institute suit for the enforcement of any such payment on or after the

Stated Maturity Date thereof, or amend or waive any term of such Investment, or write off and cancel such Investment without the consent of any Noteholder of the series corresponding to such Investment.

The Indenture contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than fifty one percent (51%) in aggregate principal amount of each series of Notes affected thereby at the time outstanding, evidenced as provided in the Indenture, to execute supplemental indentures adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture or of any indenture supplemental thereto or modifying in any manner the rights of the holder of a Note under such series and under the Indenture. However, no such supplemental indenture may: (1) subject to the servicing standard (in the immediately preceding paragraph) change the stated maturity of the principal of, or any installment of principal or interest on, a Note, or reduce the principal amount thereof or the rate of interest thereon that would be due and payable upon a declaration of acceleration of maturity thereof or change the place of payment where, or change the coin or currency in which, any installment of principal and interest on any Note is payable or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof, (2) reduce the percentage in principal amount of the outstanding Notes, the consent of whose holders is required for any such amendment or supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of the indenture or certain defaults thereunder and their consequences) with respect to the Notes, (3) modify any of the provisions of the Indenture relating to "waiver of past defaults", "rights of holders to receive payment" or "supplemental indentures with consent of holders", except to increase the percentage of outstanding Notes of such series required for such actions to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the holder of each outstanding Note affected thereby or (4) modify any provision of the Indenture that affects the rights of, or adversely affects, any SPV Facility Provider with respect to such provision (without its prior written consent).

The Indenture also contains provisions permitting the holders of at least fifty one percent (51%) in aggregate principal amount of the Notes of all affected series at the time outstanding, on behalf of the holders of all the Notes of such series, to waive, insofar as those series are concerned, compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent by the holder of a Note (unless revoked as provided in the Indenture) shall be conclusive and binding upon such holder and upon all future holders and owners of the Note and any Notes that may be issued upon the registration of transfer thereof or, irrespective of whether or not any notation thereof is made upon the Note or other such Notes. The Trustee shall have no duty or liability with regards to the servicing of the underlying Investments.

Notes held or purchased by the Company or its affiliates are considered "outstanding" for purposes of the Indenture but are not counted in determining whether the threshold for actions by holders have been met unless the Notes held by the Company are pledged and the pledgee establishes that it is not an affiliate of the Company.

The Indenture prohibits the Company from consolidating with or merging into another business entity or conveying, transferring or leasing its properties and assets substantially as an entirety to any business entity, unless: (1)(a) the Company is the continuing corporation or limited liability company after such consolidation, merger or sale of assets or (b)(i) the surviving or acquiring entity is a U.S. corporation, limited liability company, partnership or trust and (ii) it expressly assumes the Company's obligations with respect to the outstanding Notes by executing a supplemental indenture; (2) immediately after giving effect to the transaction, no default shall have occurred or be continuing; and (3) the Company has delivered to the Trustee an officers' certificate stating that the transaction, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the Indenture and all conditions precedent relating to such transaction have been complied with.

Under the terms of the Indenture, any of the following events will constitute an Event of Default for a series of Notes: (1) subject to the limitations on required payments contained in the Indenture and the Notes, the Company's failure to make required payments on any Note of such series on the applicable due date and the continuance of such default for sixty (60) days; (2) certain specified events relating to the Company's bankruptcy, insolvency or reorganization; (3) a final decision by a court of competent jurisdiction shall have determined that the Company has committed criminal or civil fraud; or (4) any other Event of Default that is specifically provided with respect to a series of Notes. It is not a default or Event of Default under the terms of the Indenture if the Company does not make payments on a series of Notes when the corresponding SPV has not distributed requisite funds owing to the failure of an Investment Party or obligor to make payments on the underlying Investment(s). In that case, the Company is not required to make payments on the Notes, so no default occurs. However, if such SPV fails to repay its obligations outstanding to a SPV Facility Provider, such failure to pay may be an event of default under the Credit Facility, and the SPV Facility Provider may choose to foreclose on the collateral securing such Credit Facility. See "Risk Factors" generally for more information.

If an Event of Default related to the Company's bankruptcy or insolvency as provided in the Indenture occurs and is continuing, then the stated principal amount of all outstanding Notes of the affected series shall become due and payable immediately without any act by the Trustee or any holder of Notes. The holders of at least 51% in aggregate principal amount of the outstanding Notes of any series, by notice to the Trustee (and without notice to any other holder of Notes), may on behalf of the holders of all Notes of the series rescind an acceleration and the consequences thereof so long as (1) such rescission does not conflict with any judgment or decree and (2) all events of default have been cured or waived. There shall be no acceleration of principal of any Notes upon the occurrence and continuance of an Event of Default other than one related to the company's bankruptcy or insolvency. Notwithstanding the forgoing, neither the Trustee nor any Noteholder shall exercise any rights or remedies under the Indenture until any SPV Facility Provider has been paid in full with respect to any Credit Facility.

The holders of at least 51% in aggregate principal amount of the outstanding Notes of any series, by notice to the Trustee (and without notice to any other holder of Notes), may on behalf of the holders of all Notes of the series waive an existing default with respect to such Notes, except (1) a default in the payment of amounts due in respect of such Notes or (2) a default in respect of a provision of the Indenture that cannot be amended without the consent of each holder affected by such waiver. When a default is permanently and irrevocably waived, it is deemed cured, but no such waiver shall extend to any subsequent or other default or impair any consequent right.

A Noteholder may not institute a suit against the Company for enforcement of such holder's rights under the Indenture or pursue any other remedy with respect to the indenture or the Notes unless: (1) the holder gives the Trustee written notice stating that an Event of Default with respect to a series of Notes has occurred and is continuing; (2) the holders of at least 51% aggregate principal amount of the outstanding Notes of that series make a written request to the Trustee to pursue the remedy; (3) such holder or holders offer to the Trustee security or indemnity satisfactory to it against any loss, liability or expense satisfactory to the Trustee; (4) the Trustee does not comply with the request within 60 days after receipt of the notice, the request and the offer of security or indemnity; and (5) the holders of at least 51% aggregate principal amount of the outstanding Notes of that series do not give the Trustee a direction inconsistent with such request during such 60-day period.

The Indenture provides that Noteholders may not use the Indenture to prejudice the rights of any other Noteholder or to obtain a preference or priority over any other Noteholder (but the Trustee has no affirmative duty to determine whether or not any such actions or forbearances are unduly prejudicial to such other Noteholders). The Indenture further provides that Noteholders may not use the Indenture to obtain confidential information relating to other Noteholders that is either unnecessary to pursue a remedy under

the Indenture or would be prejudicial to the privacy rights of other Noteholders or prejudicial to the business of the Company.

The Indenture will generally cease to be of any further effect with respect to a series of Notes if (1) all of the Notes of that series (with certain limited exceptions) have been delivered for cancellation or (2) all Notes of that series not previously delivered for cancellation have become due and payable or will become due and payable within one (1) year and the Company has deposited with the Trustee as trust funds the entire amount sufficient to pay at maturity all of the amounts due with respect to those Notes. In either case, the Company must also pay or cause to be paid all other sums payable under the Indenture by it and deliver to the Trustee an officers' certificate stating that all conditions precedent to the satisfaction and discharge of the Indenture have been complied with. The Indenture does not contain any provisions for legal or covenant defeasance of the Notes.

Noteholders: Minimum and Maximum Offering

The Maximum Offering Amount of this Memorandum is Five Hundred Million Dollars ($500,000,000), and the Minimum Investment Amount is Five Thousand Dollars ($5,000). The Company may, at its sole and absolute discretion, at any time during the period of the Offering, increase or decrease the Maximum Offering Amount or the Minimum Investment Amount.

The maximum gross proceeds will be the Maximum Offering Amount which will comprise, subject to adjustments as described elsewhere in this Memorandum, the total capitalization of the Company. This Offering may, however, be terminated at the sole discretion and option of the Company at any time before the Maximum Offering Amount is received hereunder.

Any monies raised during this Offering may be immediately used by the Company as and when received. The Company has no obligation to complete the Offering or to close the Offering before using any monies loaned to it through this Offering.

How to Subscribe

To subscribe with the Company and purchase Notes, a prospective investor must meet certain eligibility and suitability standards, some of which are set forth below (See "Investor Suitability"). Additionally, a prospective investor must execute a Subscription Agreement accessed by the prospective investor via the Platform, together with providing ACH debits or wire transfers in the amount of the purchase price payable to the Company. To the extent the investor has established an account in its name at Evolve Bank & Trust ("***Evolve Bank***"), an FDIC insured bank (or any successor to Evolve Bank the Company may contract with), through the Platform, which we refer to as the investor's "***YieldStreet Wallet***," subscription payments may be made from funds already available in the investor's YieldStreet Wallet at the time the subscription is submitted to the Company or may be deposited by the investor into its YieldStreet Wallet at the time of subscription via ACH debit from another account maintained by the investor. The Company will withdraw an investor's subscription payment held in its YieldStreet Wallet upon acceptance of its subscription. By executing the Subscription Agreement via electronic signature on the Platform, an investor makes certain representations and warranties upon which the Company will rely in accepting subscriptions. **CAREFULLY READ THE SUBSCRIPTION AGREEMENT BEFORE EXECUTING IT**.

Subscription Agreements

The Company reserves the sole and absolute right to reject any subscription tendered for any reason or no reason, or to accept it in part only. (See "Use of Proceeds" below.) Subscription Agreements are non-

cancelable and irrevocable by the Noteholder and subscription funds are non-refundable for any reason, except with the express written consent of the Company or as expressly set forth herein or in the Subscription Agreement. If accepted by the Company, an investor shall become a Noteholder only when (i) the Company countersigns the Subscription Agreement, (ii) the Company has verified that the investor is an "accredited investor", (iii) the Company has deposited the Noteholder's payment of the purchase price for the Notes into the applicable Series Sub-Account and such funds have cleared, and (iv) the Company has issued and executed the Note.

Restrictions on Transfer of Notes; Form and Registration

The Notes are not being registered under the Securities Act. The Notes may not be sold or transferred unless they are registered under the Securities Act and the applicable securities laws of any appropriate jurisdiction, or unless exemptions from such registration requirements are available. Accordingly, the Notes will not be listed on any securities exchange, nor does the Company have plans to establish any kind of trading platform to assist investors who wish to sell their Notes. There is no public market for the Notes, and none is expected to develop. Accordingly, investors may be required to hold Notes to maturity.

As a condition to this Offering, restrictions have been placed upon the ability of Noteholders to resell or otherwise transfer any Notes purchased hereunder. Specifically, no Noteholder may resell or otherwise transfer any Notes without the satisfaction of certain conditions designed to ensure compliance with applicable tax and securities laws including, without limitation, the requirement that certain legal opinions be provided to the Company with respect to such matters and the requirement that any transfer of shares to a transferee does not violate any state or federal securities laws.

To the extent required by applicable law or in the sole and absolute discretion of the Company, legends shall be placed on all instruments or certificates evidencing ownership of the Notes stating that the Notes have not been registered under the Securities Act and setting forth limitations on resale, and notations regarding these limitations shall be made in the appropriate records of the Company with respect to all Notes offered through this Offering. The Company may (1) impose a reasonable administrative fee for any registration of transfer or exchange, which fee shall be described on the Platform and may be changed or waived from time to time and (2) require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the transfer of the Notes from the Noteholder requesting such transfer.

Notes will be electronically executed by the Company to evidence a loan from the Noteholder to the Company. The Company will issue the Notes only in registered, electronic form through www.yieldstreet.com. In other words, each Note will be stored on the Platform. A Noteholder may view a record of the Notes such Noteholder owns and its Notes online and print copies for their records by visiting such Noteholder's secure, password-protected account on the Platform. The Company will not issue physical certificates for the Notes. Investors will be required to hold their Notes through the Company's electronic Note register. The Company will treat Noteholders in whose names the Notes are registered as the owners thereof for the purpose of receiving payments and for all other purposes.

INVESTOR SUITABILITY

This investment is appropriate only for investors who have no need for immediate liquidity in their investments and who have adequate means of providing for their current financial needs, obligations and contingencies, even if such investment results in a total loss. Investment in the Notes involves a degree of risk and is suitable only for an investor whose business and investment experience, either alone or together with a purchaser representative, renders the investor capable of evaluating every risk of the proposed

investment. CAREFULLY READ THE "RISK FACTORS" SECTION OF THIS MEMORANDUM IN ITS ENTIRETY.

Each Noteholder acquiring Notes will be required to represent that he, she, or it is purchasing for his, her, or its own account for investment purposes and not with a view to resale or distribution. The Company will sell Notes to an unlimited number of "Accredited Investors" only. To qualify as an "Accredited Investor" an investor must meet ONE of the following conditions:

1. Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the SEC under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

2. Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

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

4. Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

5. Any natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent (which shall mean a cohabitant occupying a relationship generally equivalent to that of a spouse), exceeds $1,000,000 (excluding the value of such person's primary residence);

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

7. Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 506(b)(2)(ii) of the Code;

8. Any entity in which all of the equity owners are Accredited Investors;

9. Any entity, of a type not listed in paragraph (a), (b), (c), (g), or (h), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of $5,000,000;

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

11. Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

12. Any "family office," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940: (i) With assets under management in excess of $5,000,000, (ii) That is not formed for the specific purpose of acquiring the securities offered, and (iii) Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; or

13. Any "family client," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (l) of this section and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (12)(iii).

A prospective investor will be required to produce evidence (via the Platform or otherwise) of its accredited status to the reasonable satisfaction of the Company if the Notes are offered in reliance upon the exemption from registration requirements set forth in Rule 506(c) of Regulation D under the Securities Act. In such case, those investors are required to cooperate in the Company's steps and methods used to verify its "accredited investor" status before being permitted to invest in the Offering. The Company may use differing or varied verification steps or methods for each investor as the facts and circumstances surrounding any particular investor's financial situation would likely be different from any other investor.

USE OF PROCEEDS

The Company plans to use proceeds of each series of Notes, as and when received from Noteholders, to (i) facilitate the funding, acquisition, purchase, holding or origination of underlying Investments by its wholly-owned SPVs, (ii) to repay loans made by a Funding Entity to SPVs, the proceeds of which were used to fund, acquire, purchase, hold or originate underlying Investments (or to pay for assignments of Investments by a Funding Entity to SPVs) or (iii) any combination of the foregoing clauses (i) and (ii). Accordingly, the Company does not plan to close this Offering or raise any set amount of proceeds before accepting subscriptions (in the sole and absolute discretion of the Company) and utilizing funds advanced to the Company by Noteholders.

PLAN OF DISTRIBUTION

The Notes will be offered by the Company only through the online website platform operated by its parent company YieldStreet Inc. at www.yieldstreet.com.

INVESTMENT STANDARDS AND POLICIES

Introduction

The Company's objective is to present prospective investors with specialty finance credit investment opportunities that (i) are sufficiently collateralized to preserve capital, and (ii) will generate income in accordance with the Company's desired investment characteristics. Given the nature and risks associated with special-situation lending or acquisitions, the Company's first focus is on the collateral available for each investment in order protect principal, and second on obtaining an appropriate return given the term and risk associated with each specific investment.

The Company's model is predicated on working with loan and other investment originators or asset managers (collectively, "***Originators***") who provide investment opportunities to investors. The Company works with and relies on experienced Originators that it believes are usually experts in their specific asset class and have experience and a track record originating and servicing the investments. The Originators usually work with borrowers or obligors to structure and fund or acquire the loans or investments. The Originators are responsible for serving the investment through its life cycle. The Company vets and conducts due diligence on the Originators, their background, credit and underwriting policies, evaluation of their investment book and performance and business policies and serving standards among other things. Once the Originator is vetted, then the Company evaluates potential investment opportunities that are suitable for the Platform.

In addition, in certain circumstances, where the Company has in-house expertise or has partnered with an expert in a particular asset class, the Company, through its SPVs, will make direct loans to borrowers.

The general credit standards and guidelines by asset classes are set forth below. In the event that an investment does not fall within the categories set forth below, the Company will either amend this Memorandum or make those credit standards and guidelines available as part of the specific Series Note Supplement for that investment. Investors are advised to review the most recent Memorandum and the Series Note Supplement both of which will be available on the Platform prior to making any investment in the Notes.

General Credit Standards

The Company was formed to conduct the following business: (1) fund, make, acquire, originate and/or purchase loans directly or indirectly secured by interests in real or personal property ("***Real Estate Loans***"); (2) fund, make, acquire, originate, and/or purchase commercial and business loans directly or indirectly secured by assets other than real estate, including, without limitation, automotive loans, corporate loans, receivable finance, litigation financing, purchase order financing, consumer loans, retail point of sale financing, marine finance such as shipping or container financing and vessel deconstruction financing, asset based financing, working capital loans, short term loans, merchant cash advances, art finance loans, oil and gas loans, and equipment financing ("***Asset-Based Loans***", together with Real Estate Loans, the "***Loans***");

(3) invest in loan participations by purchasing a participation interest in Loans and/or portfolio(s) of one or more Loans (the "***Participation Interest***") and (4) purchase, acquire or invest in (a) notes, drafts, acceptances, open accounts receivable and other obligations representing part or all of the sales price of merchandise, insurance and services or (b) mortgages and other liens on and interests in real estate ("***Other Investments***", and together with the Loans and the Participation Interests, the "***Investments***"). The Company will conduct its business by creating a wholly-owned special purpose limited liability company vehicle (an "***SPV***") solely to fund, acquire, invest in, or originate, in each case, an Investment. The Investments in most instances, will not be guaranteed by any governmental agency or private entity, but may be guaranteed by affiliates and associates of the underlying borrowers or obligors. The Company will, through its SPVs, invest in the Investments according to the standards provided below:

1. **Real Estate Loans**. The deeds of trusts and mortgages securing Real Estate Loans will be first and junior lien positions. Real Estate Loans will include those secured by a pledge of the ownership interest in the borrowing entity ("***Mezzanine Loans***"), and/or a preferred equity interest in the borrowing entity. The Real Estate Loans will be secured by such deeds of trusts and mortgages based on certain target loan to value ("***LTV***") ratios further discussed below. In addition to lien priority factors, the "Other Factors" set forth in paragraph 3(c) below for Asset-Based Loans will also be considered.

2. **Interests in Real Estate**. The Company, through its SPVs, may invest in the equity interests of commercial real estate including property types like hotels, retail, office, multi-family, student housing, land, self-storage, healthcare, and industrial properties. The Company will typically attempt to seek a definitive timeframe to effectuate an exit and will seek to partner with experienced real estate investors who have a demonstrated track record of performance. These partners will often act as the general partner on the transaction and the Company, through its SPVs, will act as the limited partner.

3. **Asset-Based Loans - Business and Commercial Loans**. The collateral pledged for Asset-Based Loans will vary from loan to loan. The Company, through its SPVs, will fund and/or acquire Asset-Based Loans (or Participation Interests therein) according to the standards provided below:

(a) **Lien Priority**. The SPVs will primarily fund and/or acquire Asset-Based Loans (or Participation Interests therein) that are in first position on all the assets acting as collateral for the loan. Notwithstanding the foregoing, the Manager reserves the right to invest in Asset-Based Loans (or Participation Interests therein) that are in junior lien positions, if the Manager determines, in its sole discretion, that it is in the best interests of the Company.

(b) **Credit Evaluation and Collateral**. The Manager will primarily consider the collateral provided for the Asset-Based Loan when determining to fund, originate, make and/or otherwise acquire an Asset Based Loan (or Participation Interest therein). Every investment in an Asset- Based Loan (or Participation Interest therein) will be collateralized with tangible assets (*e.g.* equipment, goods, vessels, aircraft, automobiles, art, *etc.*) or intangible assets such as financial assets of the borrower (including without limitation, interests in potential trial or settlement case proceeds, receivables, purchase orders, *etc.*). The value of such assets will be determined by the Originator who from time to time may use an independent certified appraiser, where applicable. The value of such assets may also be determined by analyzing the history of the borrower's business, assets or loans in similar asset classes or general industry data, where applicable and available. In addition, some Asset-Based Loans may be further secured by a personal guarantee of the borrower and/or the shareholders of the borrower.

(c) **Other Factors**. The Manager will consider the background and experience of the Originator and the borrower in addition to the mortgage liens or collateral pledged as security for Loans. As described in the introduction above, more specifically, the Manager will generally consider among other factors, the following, as applicable and if available: (1) the business background and history of the

Originator; (2) the Originator's expertise in the sector or asset class being pledged as collateral; (3) the Originator's loan book (to the extent that it is applicable and available) and track record; (4) the Originator's financial statements for the previous one (1) to three (3) years; (5) tax returns; (6) the Originator's relationships with borrowers and vendors (as applicable); (7) references; (8) background checks of the Originators; and (9) a site visit or in person meeting with the Originator.

Furthermore, the Manager expects that the Originator will have credit and underwriting policies that will consider and verify the following: (1) business background and history of the borrower; (2) the borrower's expertise in the sector or asset class being pledged as collateral; (3) the borrower's loan book (to the extent that it is applicable and available) and track record; (4) the borrower's financial statements for the previous one(1) to three (3) years; (5) tax returns; (6) the borrower's relationships with suppliers and vendors (as applicable); (7) references; (8) the borrower's internet and market presence; (9) background checks; and site visits and/or in person meetings with the borrower.

(d) **Specific Disclosures Relating to Litigation Finance**. Asset-Based Loans (or Participation Interests therein) acquired or funded by the SPVs may also include litigation financing. Litigation financing is financing provided to borrowers who are plaintiffs in a lawsuit or lawsuits or to law firms, who seek to finance their litigation or other legal costs through a lender, such as the SPV. The lender, in return, obtains a percentage of the settlement or judgment in exchange for the loan. When acquiring or funding these types of loans, the Manager (on behalf of the SPV) will determine the creditworthiness of the originator of the loans based on the following factors: (1) originator track record and underwriting approach (if the SPV is acquiring a portfolio of loans), (ii) key characteristics of the cases included in the portfolio, (iii) age of the portfolio being purchased, (v) accrued contract value of the portfolio, and (vi) servicing (as applicable). The Manager will primarily focus on tort-liability cases, including without limitation, motor-vehicle accidents cases, premises liability and slip-and-fall cases, social security cases, health care cases, and workers compensation cases. The Manager may also provide financing for employment lawsuits, maritime injury cases and other. In addition, mass tort, medical malpractice and product liability cases may be considered, but due to the complexity and duration of those lawsuits prospective investors should be aware that these are self-amortizing portfolios and most likely will not have a fixed duration.

4. **Location of Real Property Securing Loans**. Most deeds of trusts and mortgages will be secured by real property located throughout the United States.

5. **Location of Asset-Based Loans**. Most of the collateral (whether tangible or intangible) for Asset-Based Loans will be located throughout the United States. With respect to marine financing, art financing and aircraft financing, the collateral most likely will be located worldwide and will not remain static. In such cases, the Manager will rely on the experience of the Originator and external legal counsel to ensure that perfected security interests are obtained in such collateral. Prospective investors should be aware, however, that with respect to vessels and aircraft, even if a lender has a first priority perfected security interest in the asset, upon an event of default on a loan, seizure of such asset may in certain circumstances be very difficult.

6. **Loan to Value Ratio**. The Manager will adhere to industry best practices for LTV ratios. The LTV target ratio typically will be between 30% to 80%, however the LTV ratio may be higher. Investors must carefully review the specific LTV for each offering of Notes in the Series Note Supplement as it is expected to change from investment to investment and also based on asset class, borrower, originator and other market conditions.

7. **Terms of Loans**. The terms of the Loans (and Participation Interests therein) will vary. Loans generally have a term between one (1) year and six (6) years but may have loan terms of as short as six (6) months and as long as ten (10) years. Loans may be self-amortizing or non-amortizing, depending

on the asset class and circumstances specific to the investment opportunity, as determined by the Manager. Many loans may provide for interest-only payments followed by a balloon payment at the end of the term. For risk hedging purpose, borrowers may be required to make principal and interest payments. At the end of the term, the lender will require the borrower to pay the loan in full, to refinance the loan, or to sell the collateral to pay back the loan. The lender may allow six (6) to twelve (12) month extensions for a fee paid by the borrowers, although in certain circumstances extensions could be shorter or longer in order to work-out or restructure a loan. Finally, the lender may also charge exit fees on loans based on the existing loan balance at maturity. These exit fees may range from half a percent (0.5%) to two percent (2%) of the remaining loan balance at maturity.

8. **Acquiring Loans from Other Lenders**. In the event the SPV acquires Loans or Participation Interests from other third parties, which may include without limitation, lenders, banks, and financial institutions, the SPV will receive assignments of all beneficial interest in any loans purchased.

9. **Purchase of Loans from Affiliates**. The Company may purchase Loans or Participation Interests from its affiliates so long as the investments meet the investment requirements set forth above.

10. **Equity Participation and Mezzanine Positions**. An SPV may fund mezzanine loans as an alternative to loans secured by real property. Generally, a mezzanine loan is a type of subordinate real estate financing that is secured by a pledge of one hundred percent (100%) of the equity ownership interests in the entity that owns the real property. An SPV may also make loans where it agrees to participate in the equity of the property securing the loan made by the SPV. Such equity participation may include, but is not limited to, sharing in the proceeds from the sale price of the property or properties securing the loan, or including additional exit fees upon loan repayment. The Manager will permit an SPV to make such a loan if the Manager believes in its sole business judgment that it is in the best interests of the SPV to do so.

Investment Servicing

It is presently anticipated that all Loans and Investments (and the loans in which Participation Interests have been taken) will be serviced (*i.e.*, payments collected and other services relating to the Investment) by a third-party servicer, typically the Originator of the Investment. The servicer, whether the Originator, another third party or the Manager or its affiliate, shall be herein referred to as the "***Servicer***." The Servicer will be compensated by the Company and/or borrowers or Investment Parties for such servicing activities, as is agreed upon by the Manager and/or the Servicer. To the extent applicable, the Manager will oversee the activities and performance of the Servicer.

The investments are monitored proactively to attempt to ensure timely payments and identify any problems early. In the event that the SPV acquires a Participation Interest, if the Originator is Servicer, the Originator's servicing requirements (including monitoring and collection activities) will be set forth in the participation agreement between the SPV and the Originator. In the event the SPV funds a Loan or makes an Investment and is not the Servicer, the Company and/or SPV will enter into a servicing agreement with the Servicer setting forth such servicing requirements, if applicable. Servicing requirements are negotiated and agreed upon among the Manager and the Servicer prior to launch of an investment.

The Manager expects the Servicer to provide updates on the investments and submit payments according to the particular payment schedule. The Manager generally relies on the Servicer to do the following tasks in servicing the assets:

1. Collect payments in accordance with the schedule and disburse payments to the Company
2. Notify the Manager of any delays in payments and the reason for such delays
3. Notify the Manager of any non-compliance with loan or investment terms or covenants

4. Conduct Collateral review and verification, if necessary
5. Conduct onsite inspections and meetings, if necessary

The Manager will review servicing reports to ensure the disbursements to the Company or SPV are in accordance with the Investment(s). Upon notification by the Servicer of an actual, pending or potential default or impairment (or in a pro-active fashion initiated by Manager), the Manager will contact the Originator to obtain additional information on the investment. This may include direct conversations with the borrower or other Investment Party. While the specific set of actions to be taken in such scenario may change depending on the circumstances at the time of an actual, pending or potential default or impairment of the Investment, the Manager and Originator will discuss and agree upon default and/or impairment scenario contingency plans prior to the launch of a transaction on the Platform and will discuss such potential action plans upon the occurrence of such event. Potential actions to be taken, in coordination with the Originator, may include the following: (i) developing a plan to regain compliance and/or negotiating a forbearance agreement, (ii) potentially re-underwrite and restructure the Investment to preserve capital and accelerate repayment, and (iii) foreclosure on and liquidation of the collateral to preserve capital for the Noteholders.

Use of Leverage

If corresponding Investment(s) are prefunded, the acquisition funds may be temporarily advanced to the related SPV by a Funding Entity, or alternatively a Funding Entity may assign the Investment(s) to the related SPV. In either case the Funding Entity will be repaid from the proceeds of offering of corresponding series of Notes offerings. The Company expects the repayment of a Funding Entity to take approximately two to three weeks, but this period could be shorter or longer. Such funding, however, is for the purposes of pre-funding Investment(s) versus for the purposes of leverage and the potential enhancement of returns on investment. The security interest in our equity interest in any SPV granted to the Trustee, on behalf of the Noteholders, is subordinated to the security interest of a Funding Entity, to the extent that the SPV has not repaid such Funding Entity.

An SPV may also obtain longer-term financing from one or more Leverage Providers under Leverage Facilities that may be secured term loan facilities, revolving credit facilities, repurchase agreements or other similar agreements. The obligations of an SPV under a Leverage Facility will be limited recourse obligations of the SPV secured by all assets of that SPV (including Investment(s) owned by it and deposit accounts owned by it).

The security interest of the Trustee on behalf of the Noteholders in our equity interest in any SPV will be subordinate to the security interest of any Leverage Provider in that equity interest to the extent that the SPV has outstanding obligations or commitments under Credit Facilities.

The rights of Leverage Providers and any other creditors to receive payments of interest on, and repayments of principal of, advances under the lending arrangement and unused facility fees, are structurally senior to our rights (and therefore the rights of the Trustee on behalf of the Noteholders) with respect to the payment of proceeds and other distributions from SPVs and Investment(s), and upon liquidation.

We may augment or replace a Credit Facility in the future, and any such augmented or replacement Credit Facility or similar arrangement may contain terms that are materially different from those of any existing Credit Facilities. We will not enter into any Credit Facility that would cause any SPV to be subject to registration under the Investment Company Act.

Sale of Investments

The SPVs do not plan on investing in investments for the primary purpose of reselling such investments in the ordinary course of business. However, the SPVs may sell investments, or fractional interests in such investments, when the Manager determines (in its sole and absolute discretion) that it appears to be advantageous for the SPV to do so, based upon then current interest rates or expected cash flow, the length of time that the investment has been held by the SPV and the overall investment objectives of the Company.

MANAGER AND COMPANY COMPENSATION

The Company's primary sources of income shall be interest income or income from other recurring cash flows, default interest, prepayment penalties, origination and other fees, and gains from defaulted or impaired assets sold. The principal sources of the Manager's revenues and the fees retained by the Company are listed below. The Company may distribute these sources of income to its Parent.

Form of Compensation	Estimated Amount or Method of Compensation
MANAGEMENT FEE	The Manager shall earn a management fee (the "***Management Fee***") that will vary with each series of Notes. The Management Fee may be fixed or variable and will be set forth in the Series Note Supplement. The Company intends to allow purchases of Notes by interested directors, officers and employees of the Company, the Fund Manager or an affiliate thereof who are accredited investors. Purchases of Notes will be offered on the same terms and conditions as Notes are offered to non-affiliated investors. The Fund Manager is permitted, in its sole discretion, to reduce, waive or calculate or administer differently the Management Fee with respect to certain Noteholders. In particular, but without limiting the foregoing, Noteholders that are Yieldstreet Personnel or affiliates of the Fund Manager are permitted, in the discretion of the Fund Manager, to pay lower or no Management Fees or be reimbursed by the Fund Manager for the payment of any Management Fees. Such Management Fees will be redetermined prospectively at any time a Noteholder transfers all or a portion of its Note. "***Yieldstreet Personnel"*** means certain eligible officers or employees of the Fund Manager or its affiliates.
DUE DILIGENCE FEE	A due diligence fee may be payable to YieldStreet Inc. (or an affiliate thereof) for each Investment acquired, funded, and/or purchased by the Company's related SPV. This fee will be a flat fee negotiated on a case-by-case basis with the Originator.

ORIGINATION FEES	In the event that the applicable SPV (or an affiliate thereof) charges any origination fees, upfront fees, exit fees and lender discount points to an Investment Party, the SPV (or such affiliate) shall retain and distribute such fees to the Company, except if the corresponding Note provides otherwise.
EXTENSION AND MODIFICATION FEES	Extension and modification fees are collected from Investment Parties and payable to the applicable SPV or Servicer, except if the Note provides otherwise. In the loan context, such fees are typically between one and three percent (1-3%) of the original or outstanding underlying loan amount, but could be higher depending on market rates and conditions. All or a portion of such fees may be distributed to, and retained by, the Company (or an affiliate thereof). In certain cases, all or a portion of such fees will be distributed to the Noteholders, as set forth in the Series Note Supplement.
INVESTMENT PROCESSING, DOCUMENTATION AND SIMILAR FEES	Investment processing and documentation and other similar fees that are collected from the Investment Parties shall be payable to the applicable SPV at prevailing industry rates. Such fees shall be distributed to and retained by the Company (or an affiliate thereof). Investment processing and documentation fees include underwriting fees, appraisal fees, title fees, inspection fees, escrow fees, environmental assessment fees, construction disbursement fees, warehousing fees, administration fees and other similar charges.
OTHER FEES	All other fees paid by borrowers on account of Investments will be retained by the applicable SPV (except if the Note provides otherwise) including, but not limited to, all forbearance fees, late fees, late charges, collection fees, prepayment penalties, default interest, and all other similarly related fees incurred by Investment Parties (including, but not limited to, other fees authorized by investment documents for work performed regarding the subject investment). Such fees shall be distributed to and retained by the Company (or an affiliate thereof).
SERVICING FEE	Any servicing fees payable to the Servicer shall be calculated as an expense to the applicable SPV (and in turn the Company), unless the SPV or an affiliate thereof is the Servicer in which case such fees shall be retained by the SPV and distributed to, and retained by, the Company, and will not be paid to Noteholders.

MANAGEMENT OF THE COMPANY

The Company has not been separately represented by independent legal counsel in its formation or in the dealings with its Manager. As such, Noteholders must rely on the good faith and integrity of the Company's officers, directors and affiliates to act in accordance with the terms and conditions of this Offering.

The Company's operating agreement provides that the officers and directors will not have any liability to the Company for losses resulting from errors in judgment or other acts or omissions in good faith, unless they are guilty of gross negligence, fraud or willful misconduct. The operating agreement also provides that the Company will indemnify the Manager against liability and related expenses (including, without limitation, legal fees and costs) incurred in dealing with the Company, Noteholders, or third parties as long as no fraud, bad faith, gross negligence or willful misconduct on the part of the Manager is involved. Therefore, Noteholders may have a more limited right of action than they would have absent these provisions in the operating agreement. A successful indemnification of the Manager or any litigation that may arise in connection with the Company's indemnification thereof could deplete the assets of the Company.

INVESTORS ARE URGED TO CAREFULLY READ THE TERMS OF THE DEBT INSTRUMENT AND THE MEMORANDUM IN THEIR ENTIRETY.

It is the position of the SEC that indemnification for liabilities arising from, or out of, a violation of federal securities law is void as contrary to public policy. However, indemnification will be available for settlements and related expenses of lawsuits alleging securities law violations if a court approves the settlement and indemnification, and also for expenses incurred in successfully defending such lawsuits if a court approves such indemnification.

KEY PERSONNEL

The Manager is currently managed by the directors and officers listed below. The Manager or the Company may hire additional officers, directors and employees once sufficient resources have been acquired to support the costs for such positions. The following individuals comprise certain key officers, directors and employees of the Manager and YieldStreet Inc. as of the date of this Memorandum:

Michael Weisz, *Chief Executive Officer*

Mr. Weisz is a co-founder and the Chief Executive Officer of YieldStreet Inc. He is responsible for corporate strategy and direction, investment strategy, and sourcing and facilitating a network of Originators at YieldStreet Inc. Mr. Weisz is a co-founder and Chief Investment Officer of Soli Capital, a specialty finance lender and investor with an affinity to litigation finance. Mr. Weisz co-founded American Medical Concierge, the leading compliant medical concierge helping those affected by defective medical devices and products. From 2009 to 2013, Mr. Weisz was Vice President at a New York-based credit opportunities hedge fund with $1.2 billion under management. Mr. Weisz and his team specialized in asset-based loan transactions between $5 million and $25 million with a niche in financing transactions for litigation and similar matters. During his career, Mr. Weisz has managed over $500 million in transactions.

He brings with him over 10 years of investment experience. Mr. Weisz graduated with a B.S. in Finance from Touro College.

RISK FACTORS

When analyzing this Offering, prospective investors should carefully consider each of the following risks.

GENERAL INVESTMENT RISKS

The Notes are Risky and Speculative Investments for Suitable Investors Only

Investors should be aware that the Notes are risky and speculative investments. The Notes are special, limited obligations that depend entirely for payment on the receipt of payments under the corresponding Investment. Notes are suitable only for investors of adequate financial means. If an investor cannot afford to lose the entire amount of such investor's investment in the Notes, the investor should not invest in the Notes.

Payments on the Notes Depend Entirely on Payments Received on Corresponding Underlying Investments. If an Investment Party Fails to Make any Payments on the Corresponding Investment(s) Related to a Note, Payments on such Note will be Correspondingly Reduced

The Company will only make payments *pro rata* on a series of Notes after the SPV receives an Investment Party's payment on the corresponding Investment(s), net of servicing fees. The SPV also will retain from the funds received from the relevant Investment Party and otherwise available for payment on the Notes any non-sufficient funds fees and the amounts of any attorneys' fees or collection fees imposed in connection with collection efforts. Under the terms of the Notes, if the SPV does not receive any or all payments on the corresponding Investment(s), payments on the Note will be correspondingly reduced in whole or in part. If the relevant Investment Party does not make a payment on a specific payment date, no payment will be made on the Note on the corresponding succeeding Note payment date.

The Notes are Restricted Securities and are Subject to Transfer Restrictions

This Offering of the Notes has not been registered under the Securities Act or with any State securities regulator or authority, nor is registration contemplated. Rather the Notes are being offered in reliance upon the exemption from such registration requirements set forth in Section 4(A)(2) of the Securities Act and Rule 506(b) and/or 506(c) of Regulation D thereunder. The Notes will not be listed on any securities exchange or interdealer quotation system. There is no trading market for the Notes, and the Company does not expect that such a trading market will develop in the foreseeable future, nor does the Company intend in the near future to offer any features on the Platform to facilitate or accommodate such trading.

Although the Company has the right, but not the obligation, in its sole and absolute discretion, to redeem Notes, there is no public market for the Notes and none is expected to develop in the future. Even if a potential buyer could be found, the transferability of these Notes is also restricted by the provisions of the Securities Act and Rule 144 promulgated thereunder. Unless an exemption is available, these Notes may not be sold or transferred without registration under the Securities Act and the prior written consent of applicable State securities regulator(s). Any sale or transfer of these Notes also requires the prior written consent of the Company. Noteholders must be capable of bearing the economic risks of this investment with the understanding that these Notes may not be liquidated by resale or redemption and should be able to hold their Notes until they mature.

Investments in the Notes are Generally Risky and Offer No Guarantee of Success

Investment in these Notes is speculative and, by investing, each Noteholder assumes the risk of losing the entire investment. The Company has limited operations as of the date of this Memorandum. However, the Company will also be dependent upon the efforts of the Manager and its officers and employees, in order to realize the benefits of its business strategy. The Manager has approximately three prior years of operating history and its key officers and employees have several years of experience in the asset-based lending and

technology fields. While the Manager and the Company are under common ownership, there can be no assurance that will remain the case. Accordingly, only investors who are able to bear the loss of their entire investment and who otherwise meet the investor suitability standards should consider purchasing these Notes. (See "Investor Suitability" above.)

The Terms of the Notes are set in a Manner which is Favorable to the Company

The Company has set the terms of the Notes in a manner which is favorable to the Company and has not made an attempt to consider the favorability or suitability of such terms for any prospective investors.

The Notes Represent Debt Obligations of the Company and in the Event of any Liquidation or Bankruptcy of the Company, Noteholders may Receive less than the Principal Amount of their Investment

The Notes represent debt obligations of the Company, and as such, would entail risks for the Noteholders that are customary for creditors, including (without limitation) risk of default and/or non-payment by the borrower. In the event of any liquidation or bankruptcy or similar event of the Company, Noteholders may receive less than the principal amount of their investment. Noteholders will generally have limited to no control in the management and operation of the Company's business and its decisions. Other individuals and constituencies (such as shareholders of the Company) may have greater control and rights (including, without limitation, approval or blocking rights with respect to business decisions of the Company) than the Noteholders possess. Noteholders should understand that other participants in the Company may have interests that are substantially different than, and directly adverse to, the interests of Noteholders.

The Company and its Management have no way of Knowing or Predicting Whether such Target Return is Realistic and Achievable or Whether such Return will ever be Realized for an Investment

Any projected return or estimate for investments by the Company is only a target and is in no way a financial projection, estimated result, guarantee, warranty, representation or promise of the Company. The Company and its management have no way of knowing or predicting whether such target return is realistic and achievable or whether such return will ever be realized for an investment.

The Investment Profile and Mix of the Notes are not Fixed and may Change

The Company reserves the right, in its sole and absolute discretion, to modify, change or revise its typical investment profile and the mix of Investments that it makes through its SPVs, and accordingly, Noteholders have no guarantee, and should not assume that the investment mix and profile of the Company will not change substantially over time.

The Loss Position of Notes Creates a Risk that a Noteholder may not Receive any of its Principal Investment

Although the Noteholder will be able to assess the assets underlying the Investment(s), in the event of a default or impairment under an Investment, the Company may not be able to foresee or prevent a potential foreclosure and subsequent sale of the assets underlying the Investment(s). If this were to occur, and insufficient proceeds remained after sale of the assets underlying the Investment(s), the loss position of the Notes creates a risk that the subject Noteholder may not receive any of its principal investment. In addition, the Noteholder will have no recourse against Company or the Manager.

Loss Rates on Investments May Increase as a Result of Economic Conditions, Natural Disasters, War, Terrorist Attacks, or Acts of God beyond the Company's Control

Loss rates on investments may be significantly affected by economic downturns or general economic conditions, natural disasters, war, terrorist attacks, or Acts of God beyond the Company's control and beyond the control of individual borrowers. In particular, loss rates on corresponding borrower loans may increase due to factors such as (among other things) local real estate market conditions, prevailing interest rates, the rate of unemployment, the level of consumer confidence, the value of the U.S. dollar, energy prices, changes in consumer spending, the number of personal bankruptcies, disruptions in the credit markets and other factors. Price movements may also be influenced by, among other things, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and national and international political and economic events and policies. Loss rates may also increase due to certain natural disasters, such as fires, floods, hurricanes, tornados, tsunamis, or earthquakes, war, terrorist attacks, or other Acts of God.

Prevailing Interest Rates May Change During the Term of the Notes, Affecting the Value of the Investment

The Investments upon which the Notes are dependent for payment may bear fixed, not floating, rates of interest or other cash flows. If prevailing interest rates increase, the interest rates on Notes investors purchase might be less than the rate of return they could earn if they had invested the purchase price in a different investment. If interest rates continue to rise, investors who have already committed capital may lose the opportunity to take advantage of the higher rates, or may seek to invest capital in alternative investments. If prevailing interest rates rise above the average interest rate being earned by Notes, the Noteholders may wish to liquidate their investment to take advantage of higher available returns but may be unable to do so due to restrictions on transfer and redemption.

Variable Rate Notes Expose Noteholders to Interest Rate Basis and Other Risks that will not be Hedged; Noteholders may Suffer Losses on Their Notes if Interest Rates Rise; Variable Rates Based on LIBOR are Subject to Uncertainty Caused by the Anticipated Phase-Out of LIBOR.

If specified in the Series Note Supplement, the Notes of the corresponding series will bear interest at a variable rate equal to an applicable spread over the London Interbank Offered Rate ("LIBOR"), a prime rate or another index. Although the variable rate may equal the net interest rate or other cash flow on the corresponding Investment for that series, in some cases the variable rate may accrue at a different rate or on a different basis than the underlying Investment.

Unless otherwise provided in the Series Note Supplement for a series of Notes, the Company will not enter into any interest rate swaps or interest rate caps in connection with the issuance of Notes. If the variable rate payable by the Company on the Notes of a series increases to the point where the amount of interest and principal due on the Notes, together with other fees and expenses payable by the Company, exceeds the amount of collections and other funds available in the applicable Series Sub-Account to make such payments, the Company may not have sufficient funds to make payments on the Notes of that series. If the Company does not have sufficient funds to make payments on the Notes of a series, an investor in Notes of that Series may experience delays or reductions in the interest and principal payments on those Notes.

Issues with the succession of LIBOR may also affect the accrual of interest on variable rate Notes and affect the relationship between the accrual of interest on Notes of a series and on the underlying Loans and Participation Interests.

Uncertainty About the Future of LIBOR and the Potential Discontinuance of LIBOR Could Adversely Affect the Market Value of the Notes and/or Limit Noteholders' Ability to Resell Them.

The chief executive of the United Kingdom Financial Conduct Authority, or the "FCA", which regulates LIBOR, announced in July 2017 that the FCA intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. It is unknown whether any banks will continue to voluntarily submit rates for the calculation of LIBOR after 2021 or whether LIBOR will continue to be published by its administrator based on these submissions or on any basis. It is not possible to predict the effect of these changes, other reforms or the establishment of alternative reference rates in the United States, United Kingdom, or elsewhere. The resulting uncertainly could adversely affect the market value of Notes and/or limit Noteholders' ability to resell them.

The Company is Expected to Hold a Significant Portion of its Investments until Maturity and are thus Expected to be Illiquid

The Company (through its SPVs) is expected to hold a significant portion of its investments until maturity or other disposition and are thus expected to be illiquid. Should the Company determine it to be advisable to earlier dispose of any illiquid investments, the Company may have difficulty doing so. Alternatively, the Company may only be able to sell such Investments at substantial discounts to face value. In certain circumstances, the Company may be prohibited by contract from selling investments for defined periods of time. Depending on the type of Investments held by the Company, such Investments may require a substantial period of time to liquidate. There can be no assurances that there will be a liquid market for resale of such Investments, and illiquidity may result from the absence of an established market for certain investments and loans as well as from legal or contractual restrictions.

The SPVs may use Leverage to Acquire Corresponding Investment(s), Thereby Increasing the Risk of Loss.

The Company utilizes leverage in the acquisition of Investment(s), including by borrowing funds (*e.g.*, a line of credit) and pledging the SPV's corresponding Investment(s) as collateral for the loan. Secured lenders to an SPV will therefore have a first priority security interest in the corresponding Investment(s) owned by that SPV. The right of the Company to receive distributions from an SPV will be subordinated to claims of secured lenders to that SPV. While the use of leverage can increase returns if the SPV earns a greater return on the Investment(s) purchased with leverage than it pays for such leverage, the use of leverage can decrease returns if the relevant SPV fails to earn as much on such incremental corresponding Investment(s) as it pays for such borrowings. The effect of leverage may therefore result in a greater decrease in the residual cash flow and liquidation value of an SPV that would have existed if such SPV was not so leveraged.

SPVs using leverage will pay interest on any borrowings, including advances under a line of credit and unused facility fees. As such, SPVs are exposed to interest rate risk due to fluctuations in the prevailing market rates. In addition, there is no guarantee that any leverage obtained by an SPV will be refinanced upon maturity either on terms that are acceptable to the Company or the Manager, or at all. If the Company cannot refinance leverage, an SPV may be required to sell a portion of its assets in order to repay the leverage. Finally, prospective Noteholders should understand that the terms of the leverage between the SPV and the lender or provider of such leverage, including with respect to any line of credit, may restrict an SPV's ability to make distributions of income or principal repayments to the Company (and therefore restrict payments to Noteholders).

Interest costs on borrowings may fluctuate with changing market rates of interest and may partially offset or exceed the return earned on Investment(s) purchased or acquired with borrowed money. Interest on borrowings, including advances under a line of credit and unused facility fees, will be an expense of the

SPV and will reduce returns. While such leveraging will increase the funds available for investment by the SPV, it will also increase the risk of loss.

If the SPVs do not Make Sufficient Distributions, the Company will not be Able to Make Payment on the Notes. In Addition, the Structural Subordination of the Notes to SPVs' Liabilities on Credit Facilities may Limit the Company's Ability to make Payment on the Notes.

The Company is a holding company with no business operations, sources of income or assets other than ownership interests in its subsidiaries. The Notes are secured principally by the Company's equity interests in the SPVs, which represent 100% of the residual economic interests of each SPV. The Notes are therefore structurally subordinated to all indebtedness and other obligations, including trade payables, of the relevant SPVs.

The Notes may be subject to risks arising from a novel strain of coronavirus (known as COVID-19), which has had a material effect on global financial markets and has caused a disruption of manufacturing supply chains and local and global economies.

In December 2019, COVID-19 surfaced in China and became a worldwide pandemic, resulting in unprecedented market disruptions. The extent to which COVID-19 may negatively affect the art market, demand and values of the artwork collateral, operations or performance of the Company, the Manager, any financial sponsor of a borrower, Originator, third-party partner or the Borrower or any guarantor or other obligor is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19 and the actions taken by authorities and other entities to contain COVID-19 or treat its impact. These potential impacts, while uncertain, could have a material adverse effect on the yield of the Notes or ability of the Issuer to repay Noteholders.

COMPLIANCE AND REGULATORY RISKS

If the Company is Required to Register under the Investment Company Act, its Ability to Conduct Business Could be Materially Adversely Affected.

The Investment Company Act of 1940, or the "***Investment Company Act***," contains substantive legal requirements that regulate the manner in which "investment companies" are permitted to conduct their business activities. The Company believes it has conducted, and will conduct, its business in a manner that does not result in being characterized as an investment company. If, however, the Company is deemed to be an investment company under the Investment Company Act, it may be required to institute burdensome compliance requirements and its activities may be restricted, which would materially adversely affect its business, financial condition and results of operations. If the Company were deemed to be an investment company, the Company may also attempt to seek exemptive relief from the SEC, which could impose significant costs and delays on the Company's businesses.

Failure of Third-Party Vendors to Meet Compliance Requirements Could Have an Adverse Effect on the Company

The Company either internally conducts or contracts out certain compliance services to meet regulations pertaining to "Know Your Customer", anti-money laundering and Rule 501 accredited investor compliance. The Company believes its internal procedures and vendors meet industry compliance standards. However, the SEC or other regulatory agencies could determine, for example, that the Company has failed to use

"reasonable steps" for verification of accredited investor status. This determination could result in penalties to the Company, a loss of some or all returns for certain investors, revocation of an investor's accredited investor status, loss of a valid exemption from registration under the Securities Act, as well as a delay in payments to Noteholders, cessation of operations of the Company, or other adverse effects towards Noteholders or the Company.

GENERAL BORROWER-RELATED RISKS

Long-Term Investment Loss Experience is Unknown

The Company is a newly-formed entity with no operating history. While investments have been offered through the Platform by the Company's affiliates prior to this Offering, the performance of previous investments may not be indicative of the future performance of the Company's investments relating to corresponding Notes, and the Company does not yet know what its long-term investment loss experience will be.

When the Underlying Investment is a Loan or Participation Interest Therein, Borrower Prepayments Will Extinguish or Limit the Ability to Earn Additional Returns on a Note

Prepayment by a borrower occurs when a borrower decides to pay some or all of the principal amount on an underlying loan earlier than originally scheduled. Generally, a borrower may prepay all or a portion of its remaining principal amount at any time without penalty. Upon a prepayment of the entire remaining unpaid principal amount of a corresponding Loan(s) and/or Participation Interest(s), the Noteholder will receive its share of such prepayment, but further interest will not accrue after the date on which the payment is made. If prevailing commercial loan rates decline in relation to the Note's effective interest rate, the borrower may choose to prepay the underlying loan with lower-cost funds. If the borrower prepays a portion of the remaining unpaid principal balance on the underlying loan, the term for repayment of the underlying loan will not change, but the Noteholder will not earn a return on the prepaid portion, and the Noteholder's anticipated total investment return may thus decrease. In addition, the Noteholder may not be able to find a similar rate of return on another investment at the time at which the underlying Loan(s) and/or Participation Interest(s) is prepaid.

The Notes are Special, Limited Obligations of the Company Only and, Except for the Security Interest in the Collateral Granted to the Trustee, are not Secured by any other Collateral or Guaranteed or Insured by any Third Party

While the underlying Investments may be secured by a mortgage, security agreement or other assets or may otherwise represent a direct or indirect ownership interest in real estate or other assets, the Notes themselves are special, limited obligations of the Company and will not represent an obligation of the borrower under a Loan, and/or an obligation of any Investment Party and/or the borrower under a loan in which a Participation Interest is acquired or the SPVs counterparty under a participation agreement or any other party, except the Company. The Notes are not secured by any collateral except for a security interest in, *inter alia*, the Series Sub-Account, the cash and accounts of the subject SPV and the Company's equity interest granted to the Trustee and are not guaranteed or insured by any governmental agency, instrumentality or any third party. Noteholders may look only to the Company for payment of the Notes and then only to the extent of payments received with respect to the specific underlying Investment(s) therein). Furthermore, if an Investment Party fails to make any payments on the underlying Investment(s), Noteholders in the related Notes will not receive any payments on their respective Notes. Noteholders will not be able to pursue collection against the Investment Party and are prohibited from contacting an Investment Party about the defaulted or impaired Investment(s).

Noteholders do not themselves have a direct security or ownership interest in the specific underlying Investment(s) or the right to payment thereunder. The Trustee, for itself and for the ratable benefit of the Noteholders, will hold a security interest in, *inter alia*, the Company's membership interests in the SPV which owns the specific underlying Loan(s) Investment(s). In the event that Investment(s) are prefunded, the Investment(s) may be funded or assigned by a Funding Entity. In addition, an SPV may obtain Leverage Facilities (or other similar arrangements) from one or more secured Leverage Providers. If Investment(s) are acquired or entered into using (or if an SPV otherwise utilizes) such Credit Facilities, the Notes will be structurally subordinated to any SPV Facility Provider's interest until all obligations of the related SPV to such SPV Facility Provider under a Credit Facility have been paid in full. In the case of a Funding Entity, this will occur only once the equivalent of the entire investment amount of the subject SPV's Investment(s) is funded by Noteholders and received by the Company. The Company expects this process to take approximately two to three weeks, but such period of time could be shorter or longer. In the case of a Leverage Provider, this may not occur until the end of the term of the Notes.

If an Event of Default were to occur, the Noteholders would be dependent on the Trustee's ability to realize on the Collateral. In addition, although the Company will take all actions that it believes are required under applicable law to perfect the security interest of the Trustee in the Collateral that can be perfected by a UCC filing, if its analysis of the required actions is incorrect or insufficient or if it fails timely to take any required action, the Trustee's security interest may not be effective and Noteholders of a specific series of Notes could be required to share the Collateral (and any proceeds thereof) with the Company's other creditors (including the Noteholders of a different series of Notes), or, if a bankruptcy court were to order the substantive consolidation of the Company and its direct or indirect parent entities, those entities' creditors.

The Collateral Securing the Notes is Limited to the SPVs Rights under the Investment Documents

Noteholders do not themselves have a direct security or ownership interest in the specific underlying Investment(s) or the right to payment thereunder. If an Event of Default were to occur, upon the Trustee's seizing the Collateral, the Trustee would then own the applicable membership interests in the SPV which in turn own the specific underlying Investment(s). If the SPV owns a Loan then the Trustee would have control of the SPV as the lender of record; if the SPV owns a Participation Interest, then the Trustee would have the powers of a participant with respect to such Participation Interest which are, in many cases, more limited; if the SPV owns an other Investment, then the Trustee would have the powers given to the owner of such Investment.

The Collateral Securing the Notes may Remain Structurally Subordinated Due to Third Party Credit Facilities

In the event that Investment(s) are prefunded, the Investment(s) may be funded or assigned by a Funding Entity. In addition, an SPV may obtain Leverage Facilities (or other similar arrangements) from one or more secured Leverage Providers. If Investment(s) are acquired or entered into using (or if an SPV otherwise utilizes) such Credit Facilities, the Notes will be structurally subordinated to any SPV Facility Provider's interest until all obligations of the related SPV to such SPV Facility Provider under a Credit Facility have been paid in full. In the case of a Funding Entity, this will occur only once the equivalent of the entire investment amount of the subject SPV's Investment(s) is funded by Noteholders and received by the Company. The Company expects this process to take approximately two to three weeks but such period of time could be shorter or longer. In the event the Company is unable to fully subscribe prospective investors with the equivalent of the entire investment amount of an Investment the subject SPV owns, Noteholders that were intended to be secured by the applicable SPV's equity may end up unsecured until the equivalent of the entire investment amount of such Investment owned by the subject SPV is subscribed. This may result in the Noteholders remaining unsecured to the Funding Entity upon the occurrence and

continuance of an Event of Default under the Indenture and Note, and could result in potential loss of interest income or principal. Where leverage is utilized, Noteholders may remain subordinated and/or effectively unsecured for the life of their investment.

Management Discretion with Respect to Investments is With the Company and not Noteholders

The Company will manage the underlying Investment(s) as it sees fit in its sole discretion, including relying on third-party servicers to undertake such management. The Company may use strategies that are not described herein, and these strategies may subject the Investment(s) to additional risks. Management may, at its discretion, delay notification of or not notify Noteholders of distressed or defaulting loans or impaired Investments, unless Company determines that Noteholders will probably lose some or all of their investment.

Information Supplied by Investment Parties May be Inaccurate or Intentionally False

Investment Parties supply a variety of information regarding asset, property and other collateral valuations, market data, their experience, personal identifying information, and other information, some of which is included in the Series Note Supplement. The Company makes an attempt to verify portions of this information, but as a practical matter, portions of the information may be incomplete, inaccurate or intentionally false. Investment Parties may also misrepresent their intentions for the use of loan or investment proceeds. The Company does not verify any statements by applicants as to how loan or investment proceeds are to be used. If an Investment Party supplies false, misleading or inaccurate information, a Noteholder may lose all or a portion of its investment in the Note. Neither the Trustee nor Noteholders will have any contractual or other relationship with any Investment Party that would enable either of them to make any claim against such Investment Party for fraud or breach of any representation or warranty in relation to any false, incomplete or misleading information supplied by such borrower in relation to the relevant underlying Investment.

When the Underlying Investment is a Loan or Participation Interest Therein, Borrower Bankruptcy Will Prevent the Prompt Exercise of Foreclosure Remedies

If the borrower enters bankruptcy, an automatic stay of all proceedings against the borrower's assets will be granted. This stay will prevent the applicable SPV (if it is the lender of record under the Loan) or the lender of record under a loan in which a Participation Interest has been acquired, from foreclosing on borrower assets unless relief from the stay can be obtained from the bankruptcy court, and there is no guarantee that any such relief will be obtained. Significant legal fees and costs may be incurred in attempting to obtain relief from a bankruptcy stay from the bankruptcy court and, even if such relief is ultimately granted, it may take several months or more to obtain. In such event, the lender of record will be unable to promptly exercise its foreclosure remedy and realize any proceeds from an asset sale.

In addition, bankruptcy courts have broad powers to permit a sale of assets free of the lender of record's lien, to compel the lender of record to accept an amount less than the balance due under the loan and to permit the borrower to repay the loan over a term which may be substantially longer than the original term of the loan.

The methodology used in calculating and allocating fees and costs associated with in-house services and support may result in the Noteholders paying more for such services and support than the amount actually paid by the Manager, or the amount allocated to Other Accounts.

While not anticipated, the Manager (or an affiliate) could have the incentive to cause the incurrence of greater expenses by the Company for in-house services and support than would be the case if such services

were provided by third parties at market rates. The Manager may also be incentivized to cause the incurrence of greater expenses by the Company for in-house services and support than the cost the Manager actually bears for such in-house services and support.

In addition, the Manager may waive (in whole or in part) certain amounts of the in-house expenses with respect to one or more other investment funds or platforms managed by the Manager or its affiliates (such other investment funds or platforms, "**Other Accounts**"), but not others (including the Notes). Such decision to waive in-house expenses depends on a range of factors, including, but not limited to, the size and vintage of the relevant Other Account, its investment strategy, the relative complexity of the formation of the relevant Other Account, the relative complexity of the making or acquisition of the relevant Other Account's investment, and the amount of other expenses incurred by the relevant Other Account. As a result, Other Accounts for which expenses are waived will benefit more from the in-house services than others (including the Notes) to which expenses are allocated.

Where the Manager determines that it would be fair and equitable based on the facts and circumstances, the Manager may also allocate the fees, costs and other expenses of in-house services incurred with respect to formation, operations or investments of one or more specific Other Accounts to one or more different Other Accounts (including the Notes) that are not direct beneficiaries of such services but that are indirect beneficiaries of such services, including, for example, where the applicable series of Notes utilizes or relies on substantially similar legal documentation or legal analysis done with respect to an Other Account.

The methodology used to calculate the amount of costs, fees and expenses borne by the Noteholders for in-house services and support, and the methodology used to allocate such costs, fees and expenses between the applicable series of Notes and Other Accounts, is an approximation and may result in inaccuracies.

We will utilize processes to monitor the allocation of expenses relating to in-house services with respect to each series of Notes. Generally, based on the allocation methodology utilized, a monthly time allocation will be prepared for each individual in-house personnel or employee to reflect the services he or she provided to the Company in connection with such series of Notes. Senior professionals in the relevant service group or our legal or compliance professionals will review the allocations on a quarterly basis for reasonableness and our internal compensation team may adjust recorded time as necessary. We will determine the market rate of services performed by an employee providing in-house services by reference to the market rates of third-party service providers with comparable expertise providing equivalent services and will review the assigned market rates against third-party benchmarks on a regular (typically annual) basis.

While we intend to have these processes in place, any allocation methodology is inherently an imprecise approximation of the relative benefits received by the Noteholders and, regardless of the allocation methodology the Manager chooses, certain Other Accounts may benefit more from the in-house services than the Noteholders of the applicable series of Notes in a manner that is disproportionate from the expenses such Other Accounts are required to pay.

In addition, the in-house expense allocation process relies on certain judgments and assessments that in turn are based on information and estimates of various individuals, and therefore the allocations that result may not be exact and we do not represent that any benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services to which such rates or terms relate. Where such rates or terms include hourly components, we reserve the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. In the future we could use additional or different methods to allocate in-house expenses, including charging a fixed fee (represented as a percentage or dollar amount).

BUSINESS RISKS

The Company Has no Operating History. As a Company in the Early Stages of Development, the Company Faces Risks, Uncertainties and Expenses

The Company has no operating history. YieldStreet Inc., the Company's parent, first offered investments through its Platform under a different structure through special purpose vehicles and subsequently offered borrower payment dependent notes through an affiliate, YS ALTNOTES I LLC. The Manager was the manager to all those vehicles and such investments continue to date. For the Company to be successful, the volume of financings offered through the Platform will need to increase, which will require its parent company to increase its facilities, personnel, technology, and infrastructure to accommodate the greater obligations and demands on the Platform. The Company is dependent on the Platform to maintain listings and transactions in Notes. YieldStreet Inc. also expects to constantly update its software and website, expand its customer support services and retain an appropriate number of employees to maintain the operations of the Platform. If it is unable to increase the capacity of the Platform and maintain the necessary infrastructure, Noteholders may experience delays in receipt of payments on the Notes and periodic downtime of the Platform's systems.

The Company's Business is Dependent on Results of Returns for Investors

Although the Company is selective about the Note opportunities it offers, asset-based alternative investments is as much an art as a science and the Company has no way of knowing whether its investments will be successful. If investments funded on the Platform are unsuccessful, whether relative to an industry benchmark, relative to similar investments listed by other crowdfunding platforms, relative to the stock market or mutual funds, or simply because they leave the Company's investors unhappy, it will be very damaging to the Company's business. Any failure of an investment listed on the Platform would probably be publicized widely, further adding to such damage.

The Notes Limit Noteholders' Rights in Some Important Respects

To protect the Company from having to respond to multiple claims by Noteholders in the event of an alleged breach or default with respect to a series of Notes, the Subscription Agreement and the Indenture restrict Noteholders' rights to pursue remedies individually in connection with such breach or default.

If the Company Were to Become Subject to a Bankruptcy or Similar Proceeding, the Rights of Noteholders Could be Uncertain, and the Recovery, if any, of Noteholders May be Substantially Delayed and/or Substantially Less Than the Amounts Due and/or to Become Due on the Note

In the event of the Company's bankruptcy or a similar proceeding, the rights of Noteholders to continue receiving payments on the Notes could be subject to the following risks and uncertainties: (i) interest on the Notes may not accrue during a bankruptcy proceeding. Accordingly, if Noteholders received any recovery on their Notes, any such recovery might be based on the Noteholders' claims for principal and interest accrued only up to the date the proceeding commenced; (ii) the Company's obligation to continue making payments on the Notes would likely be suspended even if the funds to make such payments were available. Because a bankruptcy or similar proceeding may take months or years to complete, even if the suspended payments were resumed, the suspension might effectively reduce the value of any recovery that a Noteholder might receive by the time such recovery occurs; (iii) the Notes are secured only by a pledge to the Trustee (to be held for itself and for the ratable benefit of the subject Noteholders) of the Company's equity in the SPV which owns the specific underlying Investment(s), which is subordinated to the extent a SPV Facility Provider has not been paid in full. Noteholders do not have a direct security interest in, or any

direct claim to, the underlying Investment(s). Because the Trustee would be required to enforce its security interest in the Collateral in a bankruptcy or similar proceeding, the Trustee's ability to make payments under the series of Notes based on such underlying Investment(s) would be delayed, which may effectively reduce the value of any recovery that a Noteholder may receive (and no such recovery can be assured) by the time any recovery is available; (iv) because the terms of the Notes provide that they will be repaid only out of the proceeds of the underlying Investment(s), Noteholders might not be entitled to share in the other assets of the Company available for distribution to general creditors, even though other general creditors might be entitled to a share of the proceeds of such underlying Investment(s); (v) if an Investment Party has paid the Company on any underlying Investment before the bankruptcy proceedings are commenced and those funds are held in the applicable deposit account and have not been used by the Company to make payments on the Notes, there can be no assurance that the Company will be able to use such funds to make payments on the Notes; and (vi) Investment Parties may delay or suspend making payments to the Company because of the uncertainties occasioned by its becoming subject to a bankruptcy or similar proceeding, even if the Investment Parties have no legal right to do so, and such delay would reduce, at least for a time, the funds that might otherwise be available to pay the Notes corresponding to those underlying Investments made by the SPV subsidiaries of the Company. In addition, to the extent we have obtained leverage through a repurchase agreement (repo), the counterparty to that agreement would be safe harbored from the automatic stay provision in the U.S. bankruptcy laws, meaning that it could have quicker access to any collateral subject to such repurchase agreement.

If the Company Were to Enter Bankruptcy Proceedings, the Operation of the Platform and the Activities with Respect to the Loans, Participation Interests and Notes Would be Interrupted

If the Company were to enter bankruptcy proceedings or were to cease operations, it would be required to find other ways to meet obligations regarding the underlying Investments and the Notes. Such alternatives could result in delays in the disbursement of payments on the Notes or could require the Company to pay significant fees to another company to perform such services on its behalf.

In a Bankruptcy or Similar Proceeding of the Company, There May be Uncertainty Regarding the Rights of a Noteholder, if any, to Access Funds Sent to the Company

If the Company became a debtor in a bankruptcy proceeding, the legal right to administer the Company funds would vest with the bankruptcy trustee or debtor in possession. In that case, investors may have to seek a bankruptcy court order lifting the automatic stay and permitting them to withdraw their funds. Noteholders may suffer delays in accessing their funds in any Company account (including a Series Sub-Account) and any pledged account of an SPV as a result, especially if there was a possibility of the substantive consolidation of the Company with all its SPVs. Moreover, U.S. bankruptcy courts have broad powers and a bankruptcy court could determine that some or all of such funds were beneficially owned by the Company and therefore that they became available to the creditors of the Company generally.

"Events of Default" Under the Notes are Narrowly Limited

Under the Notes and the Indenture, the Company's bankruptcy or a similar event related to the Company's insolvency is deemed to be an Event of Default, upon which the Trustee will succeed the Company as paying agent and the entire outstanding principal balance of the Notes and all accrued and unpaid interest thereon will become immediately due and payable; *provided* that neither the Trustee nor any Noteholder shall exercise any rights or remedies under the Indenture until any SPV Facility Provider has been paid in full with respect to any funding or assignments to the SPV related to such Notes or under the related Credit Facility, as applicable. The failure of the Company to make payment on the Notes after its receipt of payment on the underlying Investment(s) which continues un-remedied for 60 days will constitute an Event of Default; in addition, if a final decision by a court of competent jurisdiction shall have determined that

the Company has committed criminal or civil fraud, that would constitute an Event of Default; however neither such Event of Default would result in the entire principal balance becoming due and payable. Instead, the Trustee would have the right to seize the Collateral and the right (but not the obligation, except in the case of a bankruptcy or insolvency-related Event of Default), to become the paying agent under the Notes and distribute such payments. Any delay in the Trustee's access to necessary information and its ability to assume the role of paying agent could have an adverse effect on Noteholders. Other acts or omissions by the Company that may represent breaches of contract, including the Company's failure to act in good faith in collecting on underlying Investments, do not represent Events of Default under the Notes.

Noteholders Will Not Have the Protection of the Provisions of the Trust Indenture Act of 1939

Because the Offering is being made in reliance on an exemption from registration under the non-public offering exemption of Section 4(A)(2) of the Securities Act, it is not subject to the Trust Indenture Act of 1939. Consequently, purchasers of Notes will not have the protection of the provisions of the Trust Indenture Act of 1939.

The Company Relies on Third-Parties and FDIC-Insured Banks to Process Transactions

The Company relies on third-party and FDIC-insured depository institutions to process its transactions, including payments on Loans and Participation Interests and remittances to Noteholders. Under the ACH rules, if the Company experiences a high rate of reversed transactions ("chargebacks"), it may be subject to sanctions and potentially disqualified from using the system to process payments. In addition, if for any reason, its third-party vendor and/or FDIC-insured bank that processes transactions, were no longer able to do so, the Company would be required to transition such services. In such event, the Company could experience significant delay in its ability to process payments timely and the Noteholders ability to receive payments on the Notes will be delayed or impaired.

If the Security of Noteholders' Confidential Information Stored in the Platform's Systems is Breached or Otherwise Subjected to Unauthorized Access, Noteholders' Secure Information May be Stolen

The Platform may store Noteholders' bank information and other personally-identifiable sensitive data. The Platform is compliant with payment card industry security standards and uses daily security monitoring services and intrusion detection services monitoring malicious behavior. However, any willful security breach or other unauthorized access could cause Noteholders' secure information to be stolen and used for criminal purposes, and Noteholders would be subject to increased risk of fraud or identity theft. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, the Platform and its third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, many states have enacted laws requiring companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause Noteholders and originators and/or borrowers to lose confidence in the effectiveness of the Company's data security measures. Any security breach, whether actual or perceived, would harm the Company's reputation, resulting in a loss of investors, and the value of your investment in the Notes could be adversely affected.

Any Significant Disruption in Service on the Platform or in its Computer Systems Could Materially and Adversely Affect the Company's Ability to Perform its Obligations

If a catastrophic event resulted in a Platform outage and physical data loss, the Company's ability to perform its obligations would be materially and adversely affected. The satisfactory performance, reliability, and

availability of the Platform's technology and its underlying hosting services infrastructure are critical to the Company's operations, level of customer service, reputation and ability to attract new users and retain existing users. The Platform's hosting services infrastructure is provided by a third-party hosting provider (the "***Hosting Provider***"). The Platform also maintains a backup system at a separate location that is owned and operated by a third party. The Hosting Provider does not guarantee that users' access to the Platform website will be uninterrupted, error-free or secure. The Platform's operations depend on the Hosting Provider's ability to protect its and the Platform's systems in its facilities against damage or interruption from natural disasters, power or telecommunications failures, air quality, temperature, humidity and other environmental concerns, computer viruses or other attempts to harm the Company's systems, criminal acts and similar events. If the Platform's arrangement with the Hosting Provider is terminated, or there is a lapse of service or damage to its facilities, the Company could experience interruptions in its service as well as delays and additional expense in arranging new facilities. Any interruptions or delays in the Platform's service, whether as a result of an error by the Hosting Provider or other third-party error, the Company's error, natural disasters or security breaches, whether accidental or willful, could harm the Company's ability to perform any services with respect to Investments or maintain accurate accounts, and could harm the Company's relationships with its users and the Company's reputation. Additionally, in the event of damage or interruption, the Company's insurance policies may not adequately compensate the Company for any losses that it may incur. The Company's disaster recovery plan has not been tested under actual disaster conditions, and there would be some delay in recovering data and services in the event of an outage at a facility operated by the Hosting Provider. In addition, there is no guarantee that all data would be recoverable. These factors could prevent the Company from processing or posting payments on the Investments or the Notes, divert employees' attention and damage the Company's brand and reputation.

Tax and ERISA Risks

An investment in the Company involves certain tax risks of general application to all investors and certain other risks specifically applicable to Keogh accounts, Individual Retirement Accounts and other tax-exempt investors. (See "Certain U.S. Federal Income Tax Considerations" and "ERISA Considerations" below).

The U.S. Federal Income Tax Consequences of an Investment in the Notes are Uncertain

There are no statutory provisions, regulations, published rulings or judicial decisions that directly address the characterization of the Notes or instruments similar to the Notes for U.S. federal income tax purposes. However, although the matter is not free from doubt the Company and the Parent intend to treat the Notes as indebtedness of the Parent for U.S. federal income tax purposes. For U.S. federal income tax purposes, if the Notes are treated as debt, they will be treated as issued by the Parent because the Company is an entity disregarded as separate from the Parent. Because the Parent and the Company are not unconditionally obligated to pay interest on the Notes, and payments are made to the Noteholders only to the extent payments are received by the Company on the relevant underlying Investment(s), the Notes will have "original issue discount" ("***OID***") for U.S. federal income tax purposes. By investing in a Note, you will be deemed to have agreed to treat the Notes as debt for U.S. federal income tax purposes. The IRS, however, is not bound by this characterization of the Notes, and the IRS or a court may take a different position with respect to the proper characterization of the Notes. For example, the IRS could determine that, for U.S. federal income tax purposes, in substance each Noteholder owns a proportionate interest in the underlying Investment(s) or could treat the Notes as a different financial instrument (including an equity interest or a derivative financial instrument). Any different characterization could significantly affect the amount, timing, and character of income, gain or loss recognized in respect of a Note. A different characterization may significantly reduce the amount available to pay interest on the Notes. Investors are strongly advised to consult their own tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences of the purchase, ownership, and disposition of the Notes (including any possible alternative tax

characterization of the Notes). For a discussion of the U.S. federal income tax consequences of an investment in the Notes, see "Certain U.S. Federal Income Tax Considerations."

Usury Laws May Affect the Investment

Certain states where Collateral is located have usury laws in place that limit the maximum interest rate of an underlying loan. At times, these laws may effectively affect payments by preventing the recovery of certain payment amounts. Further, usury laws may be subject to change at the hands of state legislators. If a borrower were to succeed in bringing a claim against a lender of record for a state law usury violation, and the court were to find that the rate charged exceeded the maximum allowable rate applicable in such state, not only would the underlying Loan(s) and/or Participation Interest(s) not receive the anticipated full value of its loan investment, but the Company (as the SPVs parent) could be subject to fines and other penalties if the applicable SPV was the lender of record.

Unique Risks relating to Loan Purchases and Assignments

The Company may acquire interests in bank loans and other credit transactions by way of sale or assignment. The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a lender under the credit agreement with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution. Assignments may be sold strictly without recourse to the selling institutions, and the selling institutions will generally make no representations or warranties about the underlying loan, the borrowers, the documentation of the loans or any collateral securing the loans. In addition, the Company will be bound by provisions of the underlying loan agreements, if any, that require the preservation of the confidentiality of information provided by the underlying obligor. Because of certain factors including confidentiality provisions, the unique and customized nature of the loan agreement, and the private syndication of the loan, loans are not purchased or sold as easily as are publicly traded securities.

The Participation Interests Are Unsecured and Participants Have Limited Rights

The Company (through its wholly-owned SPVs) will hold many of its assets in Participation Interests or other indirect economic interests in loans or other assets (be it debt or otherwise). In such circumstances, such SPVs will not directly own the assets underlying such Participation Interests or other economic interests and/or have custody thereof. While the Originator's interest may be secured by the assets pledged in connection with the underlying asset to which the Participation Interest relates, the Participation Interests held by the SPV are not directly secured by the same assets. As such, if the Originator becomes insolvent, then the SPV's Participation Interests could be superseded by the senior creditors of the Originator and the SPV (and in turn the Company) and the Noteholders may lose some or all of their investment or payment thereon could be substantially delayed.

In addition, as an owner of Participation Interests or other indirect economic interests (including as a member of a loan syndicate), such SPV may not be able to assert any rights against Investment Parties of the underlying asset relating to the Participating Interest, and may need to rely on the holder/custodian (or other financial institution) issuing the Participation Interests or such other entity charged with the responsibility for asserting such rights, if any. Such holders/custodians and financial institutions or other entities may have reasons not to assert their rights, whether due to a limited financial interest in the outcome, other relationships with the underlying defaulting Investment Parties, the threat of potential counterclaims or other reasons, that may diverge from the interests of such SPV. The failure of such holders/custodians and financial institutions or other entities to assert their rights (on behalf of such SPV) or the insolvency of such entities could materially adversely affect the value of the assets of such SPV.

Investment in Bank Loans and Participations Are Subject to Unique Risks

The Company's investment programs include investments in Loans and Participation Interests. These obligations are subject to unique risks, including, (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws, (ii) so-called lender-liability claims by the issuer of the obligations, (iii) environmental liabilities that may arise with respect to collateral securing the obligations, (iv) limitations on the ability of the applicable SPV to directly enforce its rights with respect to participations, and (v) possible claims for the return of some or all payments in a debt made within 90 days (and in some cases, within one year) of the date that the issuer's/borrower's insolvency came under Title 11 of the United States Code (the "***Bankruptcy Code***") and under certain state laws. In analyzing each loan or participation, the Company and its Manager compares the relative significance of the risks against the expected benefits of the investment. Any loss incurred as a result of these risks may be significant and adversely affect the Company's performance and ability to repay Noteholders.

Some of the Investments Purchased by the Company Will Be or Become Non-Performing or Impaired, Which Could Significantly and Adversely Affect the Company's Ability to Repay Noteholders

It is anticipated that some of the Investments purchased by the Company (through its SPVs) will be or become non-performing and possibly in default or will otherwise become impaired. Furthermore, the obligor and/or relevant guarantor or other Investment Party may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments with respect to the Investments. By their nature, these investments will involve a high degree of risk. Such non-performing loans ("***NPLs***") or non-performing investments may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate or other cash flows, a substantial write-down of the principal of a loan and/or the deferral of payments. Commercial and industrial investments in workout and/or restructuring modes and the bankruptcy or insolvency laws of non-U.S. jurisdictions are subject to additional potential liabilities, which may exceed the value of the Company's original investment. For example, borrowers often resist foreclosure on collateral by asserting numerous claims, counterclaims and defenses against the holder of loans, including lender liability claims and defenses, in an effort to delay or prevent foreclosure. Even assuming that the collateral securing each loan provides adequate security for the loans or that the value of the asset underlying an investment exceeds the value of such investment, substantial delays could be encountered in connection with the liquidation of NPLs or non-performing investments. In the event of a default by an Investment Party, these restrictions as well as the ability of the Investment Party to file for bankruptcy protection, among other things, may impede the ability to foreclose on or sell the collateral or asset or to obtain net liquidation proceeds sufficient to repay all amounts due on the related investment. Under certain circumstances, payments earned from these NPLs or non-performing investment may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment. Bankruptcy laws may delay the ability of the Company to realize on collateral for loan positions or assets for other investments held by it or may adversely affect the priority of such loans or investments through doctrines such as equitable subordination or may result in a restructure of the debt through principles such as the "cramdown" provisions of the Bankruptcy Code. Any loss incurred on these types of investments may be significant and adversely affect the Company's performance and ability to repay Noteholders.

Loan Origination or Purchase of Participation Interests May Expose the Company to Risk of Losses Resulting From Default and Foreclosure

Although the Company expects to invest in Loans and Participation Interests that are directly or indirectly secured by collateral, the Company may be exposed to losses resulting from default and foreclosure of any

such Loans or Participation Interests in which it has invested. Therefore, the value of underlying collateral, the creditworthiness of borrowers and the priority of liens are each of great importance in determining the value of the Company's investments. No guarantee can be made regarding the adequacy of the protection of the Company's security in the loans or other debt instruments in which it invests. Moreover, in the event of foreclosure or default, subject to any applicable SPV Facility Provider having been paid in full, the applicable SPV may assume direct ownership of any assets collateralizing such defaulted Loans where it is the lender of record. The liquidation proceeds upon the sale of such assets may not satisfy the entire outstanding balance of principal and interest on such Loans, resulting in a loss to such SPV. Any costs or delays involved in the effectuation of processing foreclosures or liquidation of the assets collateralizing such Loans will further reduce proceeds associated therewith and, consequently, increase possible losses to such SPV. In addition, no assurances can be made that borrowers or third parties will not assert claims in connection with foreclosure proceedings or otherwise, or that such claims will not interfere with the enforcement of the SPV's rights.

When the Underlying Investment is a Loan or Participation Interest Therein, The Company's Claims Against a Borrower May Be Subject to Equitable Subordination to Other Claims Against the Borrower

Under the laws of certain jurisdictions, a court may use its equitable powers to subordinate the claim of a lender to some or all of the other claims against the borrower under certain circumstances. The concept of equitable subordination is that a claim may normally be subordinated only if its holder is guilty of some misconduct. The remedy is intended to be remedial, and not penal. In determining whether equitable subordination of a claim is appropriate in any given circumstance, courts may look to whether the following conditions have been satisfied: (i) whether the claimant has engaged in some type of inequitable conduct; (ii) whether the misconduct has resulted in injury to the creditors of the bankrupt company or conferred an unfair advantage on the claimant; and (iii) whether equitable subordination would be inconsistent with other applicable provisions of the Bankruptcy Code. While the stated test could be interpreted broadly, equitable subordination is usually confined to three general paradigms: (x) when a fiduciary of the debtor (who is also a creditor) misuses its position to the detriment of other creditors, (y) when a third party (which can include a lender) controls the debtor to the disadvantage of other creditors; and (z) when a third party actually defrauds other creditors. An SPV may be subject to claims from creditors of an obligor that debt assets of such obligor which are held by such SPV should be equitably subordinated. The concept of equitable subordination (or the equivalent thereof) may vary from jurisdiction to jurisdiction. To the extent the concept of equitable subordination were to apply to an originating lender of a loan in which an SPV has acquired a Participation Interest, the SPV (and in turn the Company) could be adversely affected.

Recharacterization of a Claim Under the Bankruptcy Code Could Adversely Affect the SPV

Under the Bankruptcy Code, a court may use its equitable powers to "recharacterize" the claim of a lender, *i.e.*, notwithstanding the characterization by the lender and borrower of a loan advance as a "debt," to find that the advance was in fact a contribution in exchange for equity. Typically, recharacterization occurs when an equity holder asserts a claim based on a loan made by the equity holder to the borrower at a time when the borrower was in such poor financial condition so that other lenders would not make such a loan. In effect, a court that recharacterizes a claim makes a determination that the original circumstance of the contribution warrants treating the holder's advance not as debt but rather as equity. In determining whether recharacterization is warranted in any given circumstance, courts may look at the following factors: (i) the names given to the instruments (if any) evidencing the indebtedness; (ii) the presence or absence of a fixed maturity or scheduled payment; (iii) the presence or absence of a fixed rate of interest and interest payments; (iv) the source of repayments; (v) the adequacy or inadequacy of capital; (vi) the identity of interest between the creditor and the equity holders; (vii) the security (if any) for the advances; (viii) the borrower's ability to obtain financing from outside lending institutions; (ix) the extent to which the advances were

subordinated to the claims of outside creditors; (x) the extent to which the assets were used to acquire capital assets; and (xi) the presence or absence of a sinking fund to provide for repayment. These factors are reviewed under the circumstances of each case, and no one factor is controlling. An SPV may be subject to claims from creditors of an obligor that debt obligations of such obligor held by the SPV should be recharacterized. The SPV could be adversely affected whether it was the lender of record or it acquired a Participation Interest in a loan that was subject to recharacterization.

Fraudulent Misrepresentations or Behavior by Investment Parties or the Company's Partners Could Negatively Affect the Value of the Investment, Including the Value of the Collateral or Assets Relating Thereto

The Company could be adversely affected by material misrepresentations or omissions on the part of an Investment Party or by fraudulent behavior by a joint venture partner, manager or other service provider. Inaccuracies or incompleteness of representations may adversely affect the valuation of assets relating to or collateral securing the underlying Investments and may adversely affect the ability of the Company to perfect or effectuate a lien on the collateral securing said Investment (in the case of Loans and/or Participation Interests). The Company will rely upon the accuracy and completeness of representations made by Investment Parties, other counterparties, joint venture partners, managers and other service providers and cannot guarantee that it will detect occurrences of fraud. In addition, under certain circumstances, payments by Investment Parties to the Company may be reclaimed if any such payment is later determined to have been a fraudulent conveyance or a preferential distribution.

If the SPV Owns Debt that is Junior to Other Secured Debt, the SPV Could Lose the Entire Value of its Investment in Such Debt

The Company, through its SPVs, may originate or invest in secured debt issued by companies that have or may incur additional debt that is senior to the secured debt owned by such SPV. In many instances, loans made by the SPV may be part of a unitranche structure in which a single lien on behalf of all the lenders in the structure will be filed against the assets of the borrower(s) if the lenders holding the different tranches of debt (including such SPV) will contractually agree to their respective priorities in those assets. In the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of any such company, the owners of senior secured debt (*i.e.*, the owners of first priority liens), including in a unitranche structure through the contractual agreements between the lenders, generally will be entitled to receive proceeds from any realization of the secured collateral until they have been reimbursed. At such time, the owners of junior secured debt (including, in certain circumstances, the SPV) will be entitled to receive proceeds from the realization of the collateral securing such debt. There can be no assurances that the proceeds, if any, from the sale of such collateral would be sufficient to satisfy the loan obligations secured by subordinate debt instruments. To the extent that the SPV owns secured debt that is junior to other secured debt, such SPV may lose the value of its entire investment in such secured debt.

Changing Interest Rates and Prepayment Features May Decrease the Value of Investments

The Company may invest in fixed interest rate Investments. The value of fixed interest rate Investments generally has an inverse relationship with future interest rates. Accordingly, if interest rates rise, the value of such instruments may decline. In addition, to the extent that the assets underlying specific financial instruments may be prepaid without penalty or premium, the value of such financial instruments may be negatively affected by increasing prepayments. Such prepayments tend to occur more frequently as interest rates decline.

ADDITIONAL ASSET CLASS RISKS

The business of the Company is to fund or acquire Investments, through its SPVs, in a wide variety of asset classes, including without limitation, (1) interests in real or personal property, (2) commercial and business loans secured by assets other than real estate, including, without limitation, automotive loans, corporate loans, receivable finance, litigation financing, marine finance, asset based financing, working capital loans, consumer loans, art finance loans, short term loans, oil and gas loans, and equipment financing, (3) leases related to equipment, vehicles and other goods and merchandise and (4) notes, drafts, acceptances, open accounts receivable and other obligations representing part or all of the sales price of merchandise, insurance and services. These asset classes and the collateral, if applicable, of the Investments each carry unique risks specific to that asset class or that particular collateral.

THE RISK FACTORS RELATED TO THE ASSET CLASS AND THE COLLATERAL, IF APPLICABLE, OF THE UNDERLYING INVESTMENTS OF ANY SERIES OF NOTES IS SET FORTH IN DETAIL IN THE SERIES NOTE SUPPLEMENT. WHEN ANALYZING THIS OFFERING WITH RESPECT TO A SPECIFIC SERIES OF NOTES, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER EACH OF THOSE RISKS SET FORTH IN THE SERIES NOTE SUPPLEMENT.

CONFLICTS OF INTEREST

The following is a list of some of the important areas in which the interests of the Company and each of its principals, directors, officers and/or affiliates may conflict with one another. It is expected that numerous transactions will occur between the Company and its principals, directors, officers and/or affiliates, and no outside or independent review of these transactions will be performed.

ALL PROSPECTIVE INVESTORS SHOULD UNDERSTAND THAT INVESTORS WILL HAVE ABSOLUTELY NO DIRECT INTEREST, CONTROL, VOTING RIGHTS OR INVOLVEMENT IN THE BUSINESS, AFFAIRS OR GOVERNANCE OF THE COMPANY. EACH PROSPECTIVE INVESTOR SHOULD UNDERSTAND THAT SELF-DEALING AND AFFILIATE TO AFFILIATE TRANSACTIONS WILL ROUTINELY OCCUR AS A RESULT OF THE MATTERS CONTEMPLATED HEREIN. ALL PROSPECTIVE INVESTORS ARE STRONGLY ENCOURAGED TO CONSULT THEIR OWN INDEPENDENT LEGAL COUNSEL TO REVIEW AND ADVISE THEM WITH RESPECT TO THIS OFFERING AND MEMORANDUM.

Investments May Be Serviced by an Affiliate of the Company or Manager

An affiliate of the Company or the Manager has the right to receive compensation for servicing the Investments. The Company has reserved the right to retain other firms in addition to, or in lieu of, the Servicer to perform the various brokerage services, servicing and other activities in connection with the Investments. Such other firms may or may not be affiliated with the Company. Servicing firms not affiliated with the Company may or may not provide comparable services on terms more favorable to Company.

The Company, the Manager and Related Parties May Purchase, Sell and/or Hypothecate Investments to Each Other

The Company, the Manager and/or each of its affiliates and each of their respective principals, members, managers, directors, officers and/or affiliates, may sell, buy or hypothecate Investments (use Investments as collateral for another Investments) to each other, provided that such Investments meet the Company's

underwriting criteria as set forth in the "Company's Investment Standards and Policies" above. The Company, the Manager and/or each of its affiliates and each of their respective members, managers, principals, directors, officers and/or affiliates, may make a profit on the sale of an existing Investment to an affiliated individual or entity. There will be no independent review or assessment of the value of such Investments. However, to the extent Investments are sold, transferred or assigned between SPVs and/or affiliates of the Company, such transaction will be on commercial terms that, in the opinion of the Manager, would have been reached in an arm's length transaction with or among unaffiliated third parties to ensure fair and equitable treatment among the parties.

Affiliates of the Company May be Funding Entities, Leverage Providers or Borrowers of SPVs

A Funding Entity that makes secured loans to an SPV for the purpose of enabling such SPV to make or acquire Investments may be an Affiliate of the Company. In addition, a Leverage Provider may be an Affiliate of the Company. Such SPV Facility Provider will act to protect its interests with respect to its collateral (*i.e.* such Investments) until such SPV Facility Provider has been paid in full with respect to its loan. No assurance can be given, however, as to how the affiliated relationship may impact the parties' negotiations with respect to a default scenario. In addition, affiliates of the Parent may borrow from an SPV (therefore, an SPV may be a creditor to an affiliate of the Parent). To the extent there is a borrower/lender relationship between SPVs and/or affiliates of the Company, the terms of such loans will be on commercial terms that, in the opinion of the Manager, would not disadvantage Noteholders in a manner intended to ensure fair and equitable treatment among the parties. If an Investment is pre-funded by a Funding Entity that is the Parent or an affiliate thereof, the rate of interest under the related loan facility will generally be equal to the rate of interest or other cash flow being paid on the Investment being financed, unless calculated differently as set forth in the applicable Series Note Supplement.

The Company, or Affiliates thereof May Receive Fees or Other Compensation from Third Parties in Connection with Investments.

The Company (or its affiliates) may receive certain fees or other compensation (described above under "Manager And Company Compensation"), which may provide financial incentives that are not present when the Company (or its affiliates) are not receiving such fees.

The Parent, the Manager and Their Respective Affiliates Provide Services to and Offer Other Investment Products That May Have Parallel Investments in Investments.

The Manager, the Parent, and/or their respective affiliates, shareholders, members, partners, managers, directors, officers and employees (collectively the "***Affiliated Persons***") will only devote so much time to our affairs as is reasonably required in the judgment of the Manager or Parent, as applicable. The Affiliated Persons will not be precluded from engaging directly or indirectly in any other business or other activity, including exercising investment advisory and management responsibility and funding, acquiring, originating, or otherwise transacting in Investments, securities and other investments for their own accounts, for the accounts of family members, for the accounts of other vehicles on the Parent's investment platform (collectively, "***Other Accounts***"). Such Other Accounts, such as YS ALTNOTES I LLC, may have investment objectives or engage in activities similar to those of ours, and may own an economic interest in the same Investments as may be held by an SPV. The Affiliated Persons may also have investments in certain of the Other Accounts. Certain Affiliated Persons of the Manager may give advice and take action in the performance of their duties to Other Accounts that could differ from the timing and nature of action taken with respect to us. The Affiliated Persons will have no obligation to transact in any Investments for us that the Affiliated Persons fund, acquire or originate or recommend for their own accounts or for any of the Other Accounts. We will not have any rights of first refusal, co-investment or other rights in respect of the loan interests, investments and other acquisitions or dispositions made by

Affiliated Persons for the Other Accounts, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that we and one or more Other Accounts should fund, acquire, or originate or sell the same Investments at the same time as an SPV, the Manager will allocate these transactions as is considered equitable to each in its sole discretion.

The Manager also acts as non-discretionary investment adviser to certain investors. In this capacity, the Manager recommends investments to its clients, which may include recommendations for a client to make investments in the Notes. As such, the Manager is subject to a conflict of interest in that a recommendation for a client to invest in the Notes effectively increases the asset-based compensation it receives from the Notes. The Manager may be further incentivized to recommend investments in the Notes where it receives a greater management fee and/or other compensation from the Notes as compared to other investment opportunities available on the Platform at the time of such recommendation. Furthermore, the Manager may have additional incentives to recommend the Notes over other opportunities available on the Platform, for instance, to support the launch of the Notes or to create the appearance that the Notes are more popular or attractive to investors. However, all investment recommendation decisions will be made without consideration of the potential compensation to the Manager from the Notes.

Foreclosed or Otherwise Owned Assets May Be Sold to Affiliates

In the event that the Company (through its SPVs) become the owner of any assets by reason of foreclosure or otherwise, the first priority will be to arrange for the sale of the property for a price that will permit the recovery of the full amount of invested capital plus accrued but unpaid interest and other charges, or so much thereof as can reasonably be obtained in light of current market conditions. In order to facilitate such a sale, the Company may, but is not required to, arrange a sale to persons or entities affiliated with it or controlled by it, (*e.g.* to a limited liability company formed by the Company or an affiliate thereof). The Company will be subject to conflicts of interest in arranging such sales since it would represent or have an interest in both parties to the transaction. There will not be any independent review by any outside parties of such transactions. To the extent such sales are made to persons or entities affiliated with the Company or controlled by it, the Manager will endeavor to enter into a transaction for a sale price of the property that, in the opinion of the Manager, would have been reached in an arm's length transaction with or among unaffiliated third parties to ensure fair and equitable treatment among the parties. However, no assurance can be given that the sale price for property would be fair, reasonable or negotiated at "arms-length."

The Fund may engage in Cross Trades

The Fund Manager may cause the Fund to engage in cross trades, typically for purposes of rebalancing the portfolio or for other reasons consistent with its investment and operating guidelines. Generally, the value of any affiliated transactions or any cross trades with any affiliated funds of the Fund will be determined in a manner that is consistent with the fair valuation methodologies that are used by the Fund Manager. The purchase by the Fund of an interest in any transaction currently owned by an affiliate of the Fund or by a fund managed by the Fund Manager will be a related party transaction and will constitute a cross trade. By making investing in a Note, investors will be waiving any conflict of interest involved in the acquisition of cross trades.

The Noteholders may be required to bear the cost of services and support provided by in-house personnel of the Manager, and the decision to use in-house personnel, third-party service providers, or a combination of both, and the methodology for determining the cost of such in-house services and support, may result in conflicts of interest between the Manager (or its affiliates), on the one hand, and the Noteholders, on the other hand.

The Noteholders may bear the cost of in-house personnel and employees in connection with fund administration and accounting; preparation of periodic investor reporting and calculation of performance metrics; central administration and depositary oversight; audit support; risk management support services; regulatory risk reporting, data collection and modeling and risk management matters; tax support services; in-house attorneys and paralegals to provide transactional legal and securities law advice and other related services provided by the Manager's and its affiliates' employees and personnel to the Issuer and, indirectly, the Noteholders. Any amounts paid to the Manager and/or its affiliates for such services will be borne by the Noteholders as Expenses, and will not result in any offset to the management fee or the Access Fee. The Manager may, in its sole discretion, determine to provide such services in-house and receive compensation for the provision of such services, instead of engaging one or more third parties to provide such services.

In determining whether to utilize a third-party service provider for the series of Notes, in-house personnel services or a combination of both (and in selecting the methodology for charging in-house services, as applicable), particularly where the potential compensation from the Noteholders with respect to the in-house services exceeds the associated actual costs to the Manager and its affiliates, the Manager faces conflicts of interest between itself (or its affiliates) that would otherwise bear such costs, on the one hand, and the Noteholder, on the other hand. When our in-house professionals work alongside third-party service providers on the same matter, the Noteholders is still expected to reimburse the Manager and its affiliates for the work performed in-house to the extent the Manager determines that the in-house services meet the criteria for compensation or reimbursement.

Reduced Management Fee Payable by Officers, Employees and Affiliates of the Fund Manager and its Affiliates

The Company intends to allow purchases of Notes by interested directors, officers and employees of the Company, the Fund Manager or an affiliate thereof who are accredited investors. Purchases of Notes will be offered on the same terms and conditions as Notes are offered to non-affiliated investors, except that the Fund Manager is permitted, in its sole discretion, to reduce, waive or calculate or administer differently the Management Fee with respect to certain Noteholders. In particular, but without limiting the foregoing, Noteholders that are Yieldstreet Personnel or affiliates of the Fund Manager are permitted, in the discretion of the Fund Manager, to pay lower or no Management Fees or be reimbursed by the Fund Manager for the payment of any Management Fees. Such Management Fees will be redetermined prospectively at any time a Noteholder transfers all or a portion of its Note. "***Yieldstreet Personnel***" means certain eligible officers or employees of the Fund Manager or its affiliates.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

Federal Income Tax Aspects

The following discussion contains certain U.S. federal income tax considerations generally applicable to purchasers of the Notes that are U.S. Noteholders (as defined below). This discussion is based upon the existing provisions of the Internal Revenue Code of 1986, as amended (the "***Code***"), and applicable Treasury regulations thereunder, current administrative rulings and procedures and applicable judicial decisions. However, it is not intended to be a complete description of all tax consequences to prospective Noteholders with respect to their investment in the Company. For U.S. federal income tax purposes, because the Company is an entity disregarded as separate from the Parent, Noteholders are treated as

making their investment in the Parent. No assurance can be given that the Internal Revenue Service (the "***IRS***") will agree with the interpretation of the current federal income tax laws and regulations summarized below. In addition, the Parent (or the Company if treated as a separate entity for state and local tax purposes) or the Noteholders may be subject to state and local taxes in jurisdictions in which the Parent (or the Company if treated as a separate entity for state and local tax purposes) may be deemed to be doing business.

This discussion applies only to beneficial owners of the Notes that are U.S. Noteholders (as defined below), purchase their Notes for cash in this Offering for an amount equal to the issue price of the Notes, and hold the Notes as capital assets within the meaning of the Code, which generally is property held for investment. A "U.S. Noteholder" is a beneficial owner of a Note that, for U.S. federal income tax purposes, is (1) an individual who is a citizen or resident of the United States, (2) a domestic corporation, (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (4) a trust that (a) is subject to the primary supervision of a U.S. court and one or more U.S. persons has the authority to control all substantial decisions of the trustor or (b) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to a particular U.S. Noteholder in light of the U.S. Noteholder's circumstances (for example, persons subject to the alternative minimum tax provisions of the Code, or U.S. Noteholders whose "functional currency" is not the U.S. dollar). Also, it is not intended to be wholly applicable to all categories of investors, some of which may be subject to special rules (such as partnerships and pass-through entities and investors in such entities, dealers in securities or currencies, traders in securities that elect to use a mark-to-market method of accounting, banks, thrifts, regulated investment companies, real estate investment trusts, insurance companies, tax-exempt entities, tax-deferred or other retirement accounts, certain former citizens or residents of the United States, persons holding the Notes as part of a hedging, conversion or integrated transaction or a straddle, persons deemed to sell the Notes under the constructive sale provisions of the Code, persons that are not U.S. Noteholders, and persons required to accelerate the recognition of any item of gross income for United States federal income tax purposes with respect to their Notes as a result of such item of income being taken into account in an applicable financial statement).

ACCORDINGLY, ALL PROSPECTIVE INVESTORS SHOULD INDEPENDENTLY SATISFY THEMSELVES REGARDING THE POTENTIAL U.S. FEDERAL, STATE AND LOCAL, AND NON-U.S. TAX CONSEQUENCES OF INVESTING IN THE COMPANY AND ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS, ATTORNEYS OR ACCOUNTANTS IN CONNECTION WITH ANY INTEREST IN THE COMPANY. EACH PROSPECTIVE INVESTOR SHOULD SEEK, AND RELY UPON, THE ADVICE OF ITS OWN TAX ADVISORS IN EVALUATING THE SUITABILITY OF AN INVESTMENT IN THE COMPANY IN LIGHT OF ITS PARTICULAR INVESTMENT AND TAX SITUATION.

Taxation of the Notes

In General

No authority directly addresses the treatment of the Notes or instruments similar to the Notes for U.S. federal income tax purposes. However, although the matter is not free from doubt, we intend to treat the Notes as indebtedness of the Parent for U.S. federal income tax purposes. No assurance can be given that the IRS or a court will agree with the tax characterizations and tax consequences described below, and the IRS or a court may take contrary positions. Where the form of a transaction does not reflect the economic realities of the transaction, the substance rather than the form should determine the tax consequences. Each series of Notes will correspond to underlying Investment Party Investment(s), and the Company (and thus for U.S. federal income tax purposes, the Parent) has no obligation to make any payments on the Notes

unless, and then only to the extent that, it has received payments on the corresponding underlying Investment Party Investment(s). Accordingly, the IRS could determine that, in substance, each U.S. Noteholder owns a proportionate interest in the corresponding underlying Investment Party Investment(s) for U.S. federal income tax purposes. The IRS could also determine that the Notes are not the Parent's indebtedness but another financial instrument (including an equity interest or a derivative financial instrument).

Any differing treatment of the Notes could significantly affect the amount, timing and character of income, gain or loss in respect of an investment in the Notes and may affect the Company's ability to make payments on the Notes. Accordingly, all prospective purchasers of the Notes are advised to consult their own tax advisors regarding the U.S. federal, state, local and non-U.S. tax consequences of the purchase, ownership and disposition of the Notes (including any possible alternative treatments of the Notes).

The following discussion is based upon the assumption that each Note will be treated as indebtedness of the Parent for U.S. federal income tax purposes. Unless otherwise noted, the following discussion assumes that the Notes will not be subject to the rules governing contingent payment debt instruments.

Interest and Original Issue Discount on the Notes

The Notes will have original issue discount ("***OID***"), in an amount described below, for U.S. federal income tax purposes because the Company (and thus the Parent for U.S. federal income tax purposes) is not unconditionally obligated to pay interest on the Notes and payments are made to U.S. Noteholders only to the extent payments are received by the Company on the underlying Investment Party Investment(s). A U.S. Noteholder will be required to include such OID in income as ordinary interest income for U.S. federal income tax purposes as it accrues under a constant yield method, regardless of such Noteholder's regular method of tax accounting. If a Note is paid in accordance with its expected payment schedule, the amount of OID includible in income by a U.S. Noteholder is anticipated to be based on the yield of the Note determined net of any fees, as described below, which yield will be lower than the stated interest rate on the Note. As a result, a U.S. Noteholder will generally be required to include an amount of OID in income that is less than the amount of stated interest paid on the Note. If a payment on a Note is not made in accordance with such expected payment schedule, for example because the Investment Party did not make timely payment in respect of the corresponding Investment Party Investment(s), a U.S. Noteholder will be required to include such amount of OID in taxable income as interest even though such interest has not been paid.

The Treasury Regulations governing OID provide special rules for determining the amount and accrual of OID for debt instruments that provide for one or more alternative payment schedules applicable upon the occurrence of contingencies. If the timing and amounts of the payments that comprise each payment schedule are known as of the issue date, and based on all the facts and circumstances as of the issue date, a single payment schedule for a debt instrument, including the stated payment schedule, is significantly more likely than not to occur, the amount and accrual of OID is determined based on that payment schedule. In addition, under the applicable Treasury Regulations, remote and/or incidental contingencies generally may be ignored.

The Notes provide for one or more alternative payment schedules because the Company (and thus the Parent for U.S. federal income tax purposes) is obligated to make payments on a Note only to the extent that it receives payments on the underlying Investments. The general payment schedule for each Note provides for payments of principal and interest (net of any fees) on the Note in accordance with the payment schedule for the underlying Investment(s). In addition to scheduled payments, the Company will prepay a Note to the extent that an Investment Party prepays the Investment Party Investment(s) corresponding to the Note, and late fees collected on the Investment Party Investment(s) corresponding to a Note may be paid to the

U.S. Noteholders to the extent the applicable Note provides for the same. Notwithstanding such contingencies, the Company has determined to use the payment schedule of a Note to determine the amount and accrual of OID on the Note because it believes that a Note is significantly more likely than not to be paid in accordance with such payment schedule and the likelihood of nonpayment, prepayment, or late payment on the Note is remote or incidental given that the likelihood of nonpayment, prepayment, or late payment by the Investment Party on the corresponding Investment(s) to such Note is remote or incidental. If, in the future, the Company determines that the previous sentence does not apply to a Note, it will be required to determine the amount and accrual of OID for such Note pursuant to the rules applicable to contingent payment debt instruments, which are described below, and shall so notify the U.S. Noteholder.

The OID on a Note will equal the excess of the Note's "stated redemption price at maturity" over its "issue price." The stated redemption price at maturity of a Note includes all payments of principal and stated interest on the Note (net of any management fee) under the payment schedule of the Note. The issue price of the Notes will equal the principal amount of the Notes.

The amount of OID includible in a U.S. Noteholder's income for a taxable year is the sum of the "daily portions" of OID with respect to the Note for each day during the taxable year in which the U.S. Noteholder held the Note. The daily portion of OID is determined by allocating to each day of any accrual period within a taxable year a pro rata portion of an amount equal to the product of such Note's adjusted issue price at the beginning of the accrual period and its yield to maturity (properly adjusted for the length of the period). The adjusted issue price of a Note at the beginning of any accrual period generally will be its issue price, increased by the aggregate amount of OID previously accrued with respect to the Note, and decreased by any payments of principal and interest previously made on the Note (net of any fee). A Note's yield to maturity generally will be the discount rate that, when used to compute the present value of all payments of principal and interest to be made on the Note (net of any management fee) under the payment schedule of the Note, produces an amount equal to the issue price of such Note.

Cash payments of interest and principal (net of any fees) under the payment schedule on the Notes will not be separately included in income, but rather will be treated first as payments of previously accrued but unpaid OID and then as payments of principal.

If the IRS determines that the Notes are contingent payment debt instruments due to the contingencies described above (or in the future, the Company so concludes with respect to a particular series of Notes), the Notes will be subject to special rules applicable to contingent payment debt instruments. Such rules generally require a Noteholder to (i) accrue interest income based on a projected payment schedule and comparable yield, which may be higher or lower than the stated interest rate on the Notes, and (ii) treat as ordinary income, rather than capital gain, any gain recognized on the sale, exchange, or retirement of the debt instrument and treat any loss recognized on such a disposition as an ordinary loss to the extent of prior OID inclusions and as capital loss thereafter.

Short-Term Notes

The following discussion applies to Notes that have a maturity of one year or less from the date of issue ("***Short-Term Notes***"). There are special rules that address the U.S. federal income taxation of Short-Term Notes. These rules are not entirely clear in all situations. Accordingly, U.S. Noteholders are strongly advised to consult their own tax advisor with regard to the U.S. federal income tax consequences of the purchase, ownership and disposition of Short-Term Notes.

In general, the Treasury Regulations provide that, in the case of a debt instrument with a maturity date of one year or less, no payments of interest are considered qualified stated interest. This means that a Short-Term Note is treated as having OID equal to the excess of the total payments on the obligation over its issue

price. In general, U.S. Noteholders that are cash method taxpayers should not be required to recognize interest income until actual or constructive receipt of payment, unless they elect to accrue OID in income on a current basis under either a straight-line or a constant yield method. A U.S. Noteholder that is a cash method taxpayer and does not elect to currently include accrued OID in income will not be allowed to deduct any of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry the Note in an amount not exceeding the deferred income, and instead will be required to defer deductions for such interest until the deferred income is realized upon the maturity of the Note or its earlier disposition in a taxable transaction. Notwithstanding the foregoing, if a U.S. Noteholder elects to include accrued OID in income on a current basis, the limitation on the deductibility of interest will not apply. Upon disposition of a Short-Term Note, U.S. Noteholders will be required to characterize some or all of the gain realized on a sale, exchange or retirement of the Note as ordinary income. The amount characterized as ordinary income upon such disposition will generally equal an amount of OID that would have accrued under a straight-line basis or, if a U.S. Noteholder so elects, an amount of OID that would have accrued under a constant yield method. Notwithstanding the foregoing, certain taxpayers must include in their gross income accrued interest from short-term obligations. U.S. Noteholders that are accrual method taxpayers will generally be required to accrue OID in income on a current basis on either a straight-line basis or, at their election, under the constant yield method based on daily compounding. In addition, while there are special rules that address the U.S. federal income taxation of Notes that have a maturity date of more than one year and that provide for one or more contingent payments (as discussed above), those rules generally do not apply to short term obligations. Accordingly, the U.S. federal income taxation of short-term obligations that provide for contingent payments is not entirely clear. U.S. Noteholders should consult their own tax advisors regarding the U.S. federal income tax consequences if Short-Term Notes are considered short-term obligations that provide for contingent payments.

Sale, Retirement or Other Taxable Disposition of Notes

Upon the sale, retirement or other taxable disposition of a Note, a Noteholder generally will recognize gain or loss equal to the difference, if any, between the amount realized upon the sale, retirement or other taxable disposition and its adjusted tax basis in the Note. In general, a Noteholder's adjusted tax basis in the Note will equal its cost for the Note, increased by any OID and market discount previously included in gross income by the U.S. Noteholder, as discussed below, and reduced by any payments previously received by the U.S. Noteholder in respect of the Note.

Except as discussed below with respect to a Note subject to rules governing market discount or contingent payment debt instruments, a Noteholder's gain or loss on the taxable disposition of the Note generally will be long-term capital gain or loss if the Note has been held for more than one year and short-term otherwise. The deductibility of capital losses is subject to limitations.

Additional Tax on Net Investment Income

Certain non-corporate U.S. Noteholders are subject to a 3.8% tax, in addition to regular tax on income and gains, on some or all of their "net investment income," which generally will include interest realized on a Note and any net gain recognized upon a sale or other disposition of a Note. U.S. Noteholders should consult their tax advisors regarding the applicability of this tax in respect of the Notes.

Prepayment of the Notes

If the Company (and thus for U.S. federal income tax purposes, the Parent) prepays a Note in full, the Note will be treated as retired and, as described above, the Noteholder will generally have gain or loss equal to the difference, if any, between the amount realized upon the retirement and its adjusted tax basis in the Note. If the Company (and thus for U.S. federal income tax purposes, the Parent) prepays a Note in part, a

portion of the Note will be treated as retired. Generally, for purposes of determining (i) the gain or loss attributable to the portion of the Note retired and (ii) the OID accruals on the portion of the Note remaining outstanding, the adjusted issue price, the U.S. Noteholder's adjusted tax basis, and the accrued but unpaid OID of the Note, determined immediately before the prepayment, will be allocated between the two portions of the Note based on the portion of the Note that is treated as retired. The yield to maturity of a Note is not affected by a partial prepayment.

Nonpayment of Investment Corresponding to Note - Automatic Extension

In the event that the Company (and thus for U.S. federal income tax purposes, the Parent) does not make scheduled payments on a Note as a result of nonpayment by the Investment Party on the corresponding Investment Party Investment(s), a U.S. Noteholder must continue to accrue and include OID on a Note in taxable income until the maturity date. If scheduled payments are not made, solely for purposes of the OID rules, the Note may be treated as retired and reissued on the scheduled payment date for an amount equal to the Note's adjusted issue price on that date. As a result of such reissuance, the amount and accrual of OID on the Note may change. At the time of the deemed reissuance, due to nonpayment by the borrower, the Company may not be able to conclude that it is significantly more likely than not that the Note will be paid in accordance with one payment schedule or that the likelihood of future nonpayment, prepayment, or late payment by the Investment Party on the Investment(s) corresponding to such Note is remote or incidental. Accordingly, the Note may become subject to the contingent payment debt instrument rules (as discussed in more detail below). In addition, in the event that a Note's Stated Maturity Date is extended because amounts remain due and payable on the Investment(s) corresponding to the Note on the initial maturity, the Note likely will be treated as retired and reissued for purposes of the OID rules and become subject to the contingent payment debt instrument rules. If the Company determines that a Note is subject to the contingent payment debt instrument rules as a result of such a reissuance, the Company will notify the U.S. Noteholders and make the projected payment schedule and comparable yield available at www.yieldstreet.com.

If collectability on a Note becomes doubtful, a Noteholder may be able to stop accruing OID on the Note. Under current IRS guidance, it is not clear whether a Noteholder may stop accruing OID if scheduled payments on a Note are not made.

Noteholders should consult their own tax advisors regarding the accrual and inclusion of OID in income when collectability on a Note becomes doubtful.

Losses as a Result of Worthlessness

If a Note becomes wholly worthless, a U.S. Noteholder should generally be entitled to deduct its loss on the Note as a capital loss in the taxable year the Note becomes wholly worthless. The portion of a Noteholder's loss attributable to accrued but unpaid OID may be deductible as an ordinary loss.

Potential Characterization as Contingent Payment Debt Instruments

Although the Company (and thus for U.S. federal income tax purposes, the Parent) believes its intended treatment of a Note as a debt instrument of the Parent that is not subject to the contingent payment debt instrument rules is reasonable, this position is not binding on the IRS or the courts and the Company (and thus for U.S. federal income tax purposes, the Parent) cannot predict what the IRS or a court would ultimately decide with respect to the proper U.S. federal income tax treatment of the Notes. Accordingly, there exists a risk that the IRS or a court could determine that the Notes are "contingent payment debt

instruments" because payments on the Notes are linked to performance on the underlying Investment(s). If the Notes are characterized as contingent payment debt instruments, or in the future, if the Company (and thus for U.S. federal income tax purposes, the Parent) concludes that a Note is subject to the contingent payment debt instrument rules, the Notes will be subject to special rules applicable to contingent payment debt instruments. If these rules were to apply, Noteholders would generally be required to accrue interest income under the non-contingent bond method. Under this method, interest would be taken into account whether or not the amount of any payment was fixed or determinable in the taxable year. The amount of interest that would be taken into account would generally be determined based on a hypothetical non-contingent bond, which is based on a "comparable yield" (generally, a hypothetical yield to be applied to determine interest accruals with respect to the Note, and which can be no less than the applicable federal rate) and a "projected payment schedule" (generally, a series of projected payments, the amount and timing of which would produce a yield to maturity on that Note equal to the comparable yield). Based on the comparable yield and the projected payment schedule, Noteholders will generally be required to accrue as OID the sum of the daily portions of interest for each day in the taxable year that it held the Note, adjusted to reflect the difference, if any, between the actual and projected amount of any contingent payments on the Note. The daily portions of interest are determined by allocating to each day in an accrual period the ratable portion of interest that accrues in such accrual period. The amount of interest a Noteholder may accrue under this method could be higher or lower than the stated interest rate on the Notes. In addition, any gain recognized on the sale, exchange or retirement of a Noteholder's Note will generally be treated as ordinary interest income, and any loss will be treated as ordinary loss to the extent of prior OID inclusions, and thereafter as capital loss.

Backup Withholding and Reporting

In general, the Parent will provide information returns to non-corporate U.S. Noteholders, and corresponding returns to the IRS, with respect to (i) payments, and accruals of OID, on the Notes and (ii) payments with respect to proceeds from a sale, retirement or other taxable disposition of a Note. In addition, a non-corporate U.S. Noteholder may be subject to backup withholding (currently at a 24% rate) on such payments if the U.S. Noteholder (i) fails to provide an accurate taxpayer identification number to the applicable withholding agent; (ii) has been notified by the IRS of a failure to report all interest or dividends required to be shown on its U.S. federal income tax returns; or (iii) in certain circumstances, fails to comply with applicable certification requirements or otherwise establish an exemption from backup withholding.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. Noteholder's U.S. federal income tax liability provided the required information is furnished to the IRS on a timely basis. U.S. Noteholders should consult their tax advisors regarding the application of information reporting and backup withholding rules in their particular situations.

Tax Law Subject to Change

Frequent and substantial changes have been made, and will likely continue to be made, to the federal and state income tax laws, tax regulations and industry standard accounting practices. The changes made to the tax laws by legislation are pervasive, and in many cases, have yet to be interpreted by the IRS or the courts.

State and Local Taxes

A description or analysis of the state and local tax consequences of an investment in the Parent (or the Company if treated as a separate entity for state and local tax purposes) is beyond the scope of this discussion. Prospective investors are advised to consult their own tax counsel and advisors regarding these consequences and the preparation of any state or local tax returns that a Noteholder may be required to file.

IRS Audits

Returns filed by the Parent (and its wholly-owned SPVs) are subject to audit by the IRS. The IRS devotes considerable attention to the proper application of the tax laws to corporations. An audit of the Parent's return may lead to adjustments which adversely affect the federal income tax treatment of Notes and cause Noteholders to be liable for tax deficiencies, interest thereon and penalties for underpayment. An audit of the Parent's tax return could also lead to an audit of their individual tax return that may not otherwise have occurred, and to the adjustment of items unrelated to the Parent. Prospective investors should make their determination to invest based on the economic considerations of the Parent rather than any anticipated tax benefits. Furthermore, the IRS has taken the position in Temp. Reg. 1.163-9T that any interest on income taxes owed by an individual is personal interest, subject to limitations on deduction, regardless of the nature of the activity that produced the income that was the source of the tax.

Understatement Penalties

The Parent will be subject to a substantial understatement penalty in the event that it understates its income tax. The IRS imposes a penalty of 20% on any substantial understatement of income tax. Furthermore, the IRS can charge interest on underpayments of income tax exceeding $100,000 for any tax year owing by certain corporations at a rate that is higher than the normal interest rate. The Parent strongly advises prospective investors to consult with their own tax advisor to be sure that they fully evaluate the proposed tax treatment of the Parent as described herein.

ERISA CONSIDERATIONS

The following is a discussion of how certain requirements of the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***") and the Code relating to Employee Benefit Plans and certain Other Benefit Arrangements (each as defined below) may affect an investment in the Notes. It is not, however, a complete or comprehensive discussion of all employee benefits aspects of such an investment. If the prospective investors are trustees or other fiduciaries of an Employee Benefit Plan or Other Benefit Arrangement, before purchasing Notes, they should consult with their own independent legal counsel to assure that the investment does not violate any of the applicable requirements of ERISA or the Code, including, without limitation, the ERISA fiduciary rules and the prohibited transaction requirements of ERISA and the Code.

ERISA Fiduciary Duties

Under ERISA, persons who serve as trustees or other fiduciaries of an Employee Benefit Plan have certain duties, obligations and responsibilities with respect to the participants and beneficiaries of such plans. Among the ERISA fiduciary duties are the duty to invest the assets of the plan prudently, and the duty to diversify the investment of plan assets so as to minimize the risk of large losses. An "***Employee Benefit Plan***" is a plan subject to ERISA that is an employee pension benefit plan (such as a defined benefit pension plan or a section 401(k) or 403(b) plan) or any employee welfare benefit plan (such as an employee group health plan).

Prohibited Transaction Requirements

Section 406 of ERISA and Section 4975 of the Code proscribe certain dealings between Employee Benefit Plans or Other Benefit Arrangements, on the one hand, and "parties-in interest" or "disqualified persons" with respect to those plans or arrangements on the other. An "***Other Benefit Arrangement***" is a benefit

arrangement described in Section 4975(e)(1) of the Code (such as a self-directed individual retirement account, other than an Employee Benefit Plan.

Prohibited transactions include, directly or indirectly, any of the following transactions between an Employee Benefit Plan or Other Benefit Arrangement and a party in interest or disqualified person:

(a) sales or exchanges of property;

(b) lending of money or other extension of credit;

(c) furnishing of goods, services or facilities; and

(d) transfers to, or use by or for the benefit of, a party in interest or disqualified person of any assets of the Employee Benefit Plan or Other Benefit Arrangement.

In addition, prohibited transactions include any transaction where a trustee or other fiduciary of an Employee Benefit Plan or Other Benefit Arrangement:

(a) deals with plan assets for his own account,

(b) acts on the behalf of parties whose interests are adverse to the interest of the plan, or

(c) receives consideration for his own personal account from any party dealing with the plan with respect to plan assets.

Certain transactions between Employee Benefit Plans or Other Benefit Arrangements and parties in interest or disqualified persons that would otherwise be prohibited transactions are exempt from the prohibited transaction rules due to the application of certain statutory or regulatory exemptions. In addition, the United States Department of Labor has issued class exemptions and individual exemptions for certain types of transactions. Violations of the prohibited transaction rules may require the prohibited transactions to be rescinded and will cause the parties in interest or disqualified persons to be subject to excise taxes under Section 4975 of the Code.

Investments in the Company

If a prospective investor is a fiduciary of an Employee Benefit Plan, the investor must act prudently and ensure that the plan's assets are adequately diversified to satisfy the ERISA fiduciary duty requirements. Whether an investment in the Company is prudent and whether an Employee Benefit Plan's investments are adequately diversified must be determined by the plan's fiduciaries in light of all of the relevant facts and circumstances. A fiduciary should consider, among other factors, the limited marketability of the Notes.

Special Limitations

The discussion of the ERISA fiduciary aspects and the ERISA and Code prohibited transaction rules contained in this Memorandum is not legal or investment advice. The applicability of ERISA fiduciary rules and the ERISA or Code prohibited transaction rules to Noteholders may vary from one Noteholder to another, depending upon that Noteholder's situation. Accordingly, prospective investors should consult

with their own attorneys, accountants and other personal advisors as to the effect of ERISA and the Code on their situation of a purchase and ownership of the Notes and as to potential changes in the applicable law.

ADDITIONAL INFORMATION AND UNDERTAKINGS

The Company undertakes to make available to each prospective investor every opportunity to obtain any additional information from the Company necessary to verify the accuracy of the information contained in this Memorandum, to the extent that the Company possesses such information or can acquire it without unreasonable effort or expense. This additional information includes documents or instruments relating to the operation and business of the Company that are material to this Offering and the transactions contemplated and described in this Memorandum so long as such additional information does not violate any Noteholder's privacy or confidentiality rights. Should you have any questions, please do not hesitate to contact the Company as follows: YS ALNOTES II LLC, 300 Park Avenue, 15th Floor, New York, New York 10022; telephone number: 844-943-5378; e-mail: investments@yieldstreet.com.