EWM ALTERNATIVE INVESTMENTS SPV, LLC – SERIES 4 – CBD

CONFIDENTIAL
PRIVATE PLACEMENT MEMORANDUM

NOVEMBER 27, 2017

This Confidential Private Placement Memorandum ("***Memorandum***") is being furnished by Endowment Wealth Management, Inc. (the "***Manager***") solely for use by prospective subscribers in evaluating an investment in EWM ALTERNATIVE INVESTMENTS SPV, LLC – SERIES 4 – CBD (the "***Fund***")

THE INVESTMENT DESCRIBED HEREIN INVOLVES A HIGH DEGREE OF RISK. SEE THE RISK FACTORS DESCRIBED IN THIS MEMORANDUM.

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GENERAL NOTICES

This Memorandum is furnished on a confidential basis to a limited number of sophisticated investors for the purpose of providing certain information about an investment in interests of the Fund ("***Interests***"). This Memorandum is to be used by the person to whom it has been delivered solely in connection with the consideration of the purchase of the Interests. The information contained herein should be treated in a confidential manner and may not be reproduced, transmitted or used in whole or in part for any other purpose, nor may it be disclosed without the prior written consent of the Manager. Each prospective investor accepting this Memorandum hereby agrees to return it to the Manager, along with any copies (and destroy any electronic copies), promptly upon request.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY IN ANY STATE OR OTHER JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH STATE OR JURISDICTION. THE INTERESTS OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "***SEC***") OR BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OR ANY OTHER JURISDICTION, NOR HAS THE SEC OR ANY SUCH SECURITIES REGULATORY AUTHORITY PASSED ON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE. THIS MEMORANDUM IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, A PROSPECTUS OR ADVERTISEMENT FOR A PUBLIC OFFERING OF THE SECURITIES REFERRED TO HEREIN.

The Interests have not been registered under the Securities Act, or the securities laws of any state or any other jurisdiction, nor is such registration contemplated. The Interests will be offered and sold only to "***Accredited Investors***" (who are also ***"Qualified Clients"***) in accordance with the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder, and other exemptions of similar import in the laws of the states where this Offering will be made. The Fund will not be registered as an Investment Company under the Investment Company Act of 1940, as amended.

The rights, preferences, privileges and restrictions arising out of an investment in an interest, the rights and responsibilities of the Manager and each person subscribing for Interests (each, a "***Subscriber***"), and the terms and conditions of this Offering are governed by the Operating Agreement of the Fund (the "***Operating Agreement***"), and the subscription agreement between each Subscriber and the Fund (the "***Subscription Agreement***"). The description of any of such matters in the text of this Memorandum is subject to and qualified in its entirety by reference to such documents. The Manager reserves the right to modify the terms of this Offering and of the Interests and the Interests are offered subject to the Manager's ability to reject any subscription therefor in whole or in part.

There is no public market for the Interests and no such market is expected to develop in the future. The interests may not be sold or transferred unless they are registered under the Securities Act or an exemption from such registration thereunder and under any other applicable securities law registration requirements is available. Further, there are limitations on the transfer of interests as contained in the Operating Agreement.

The information contained in this Memorandum is given as of the date on the cover page, unless another time is specified. Investors may not infer from either the subsequent delivery of this Memorandum or any sale of interests that there has been no change in the facts described since that date. Certain of the economic, financial and market information contained herein (including certain forward-looking statements and information) has been obtained from published sources or prepared by persons other than the Manager.

While such information is believed to be reliable for the purposes used herein, none of the Fund, the Manager or any of their respective managers, officers, employees, partners, members, or affiliates assumes any responsibility for the accuracy of such information.

POTENTIAL INVESTORS SHOULD PAY PARTICULAR ATTENTION TO THE INFORMATION IN "INVESTMENT CONSIDERATIONS" IN THIS MEMORANDUM. INVESTMENT IN THE FUND IS SUITABLE ONLY FOR SOPHISTICATED INVESTORS AND REQUIRES THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE HIGH RISKS AND LACK OF LIQUIDITY INHERENT IN AN INVESTMENT IN THE FUND. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFER OR RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OR PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS IN THE FUND MUST BE PREPARED TO BEAR SUCH RISKS FOR AN INDEFINITE PERIOD OF TIME. NO ASSURANCE CAN BE GIVEN THAT THE FUND'S INVESTMENT OBJECTIVE WILL BE ACHIEVED OR THAT INVESTORS WILL RECEIVE A RETURN OF THEIR CAPITAL.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE FUND AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. PROSPECTIVE INVESTORS SHOULD NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX, INVESTMENT OR ACCOUNTING ADVICE. **PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH THEIR OWN ADVISORS WITH RESPECT TO THE LEGAL, TAX, REGULATORY, FINANCIAL, AND ACCOUNTING CONSEQUENCES OF THEIR INVESTMENT IN THE FUND**.

Each prospective investor is invited to discuss with, ask questions of and receive answers from the Manager concerning the terms and conditions of this Offering. No person has been authorized in connection with this Offering to give any information or make any representations other than as contained in this Memorandum, and any representation or information not contained herein must not be relied on as having been authorized by the Fund, the Manager, the principals of the Manager, or any of their affiliates.

Certain information contained in this Memorandum constitutes "***Forward-looking Statements***," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those set forth under Section VII: "Investment Considerations," actual events or results may differ materially from those reflected in such Forward-looking Statements. Any Forward-looking Statements or information contained in this Memorandum should be considered with these risks and uncertainties in mind. Accordingly, undue reliance should not be placed on such Forward-looking Statements and information.

In considering the prior performance information contained herein (of affiliates of the manager), prospective investors should bear in mind that past or projected performance is not necessarily indicative of future results, and there can be no assurance that the fund will achieve comparable results or that the fund will be able to implement its investment strategy or achieve its investment objectives.

Except as otherwise noted, all references herein to "***$***" or monetary amounts refer to United States ("***U.S.***") dollars.

NOTICE TO RESIDENTS OF ALL STATES

THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN ANY PARTICULAR STATE. THE OFFERING DOCUMENTS MAY BE SUPPLEMENTED BY ADDITIONAL STATE LEGENDS. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN ANY GIVEN STATE, YOU ARE ADVISED TO CONTACT THE MANAGER.

STATE NOTICES

NOTICE TO RESIDENTS OF COLORADO

THIS INFORMATION IS DISTRIBUTED PURSUANT TO AN EXEMPTION FOR SMALL OFFERINGS UNDER THE RULES OF THE COLORADO SECURITIES DIVISION. THE SECURITIES DIVISION HAS NEITHER REVIEWED NOR APPROVED ITS FORM OR CONTENT. THE SECURITIES DESCRIBED MAY ONLY BE PURCHASED BY "ACCREDITED INVESTORS" AS DEFINED BY RULE 501 OF SEC REGULATION D AND THE RULES OF THE COLORADO SECURITIES DIVISION.

NOTICE TO RESIDENTS OF CONNECTICUT

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO RESIDENTS OF FLORIDA

THE INTERESTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT. EACH OFFEREE WHO IS A FLORIDA RESIDENT SHOULD BE AWARE THAT SECTION 517.061(11)(A)(5) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, ANY SALE IN FLORIDA MADE PURSUANT TO SECTION 517.061(11) IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE 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." THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061 OF THE FLORIDA ACT IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE.

NOTICE TO RESIDENTS OF GEORGIA

THESE SECURITIES HAVE BEEN ISSUED OR SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10- 5-9 OF THE "GEORGIA SECURITIES ACT OF 1973," AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

NOTICE TO RESIDENTS OF MARYLAND

THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

NOTICE TO RESIDENTS OF NEW HAMPSHIRE

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE NEW HAMPSHIRE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER NEW HAMPSHIRE RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO RESIDENTS OF NEW MEXICO

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISK INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO RESIDENTS OF NEW YORK

THIS IS NOT A FIRM OFFER IN THE STATE OF NEW YORK. NO FIRM OFFER MAY BE MADE IN NEW YORK, AND NO SUBSCRIPTION PAYMENT, DEPOSIT, OR SUBSCRIPTION COMMITMENT MAY BE RECEIVED UNLESS AN EXEMPTION IS GRANTED FROM THE FILING OF AN OFFERING STATEMENT OR PROSPECTUS UNDER NEW YORK LAW. THIS PRELIMINARY OFFERING LITERATURE IS SUBJECT TO REVISION AND AMENDMENT.

NOTICE TO RESIDENTS OF NORTH DAKOTA

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO RESIDENTS OF OREGON

(a) THE SECURITIES OFFERED ARE REGISTERED WITH THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES FOR THE STATES OF OREGON UNDER PROVISIONS OF OAR 441-65-060 THROUGH 441-65-230. THE DIRECTOR REVIEWED THE REGISTRATION STATEMENT ONLY BRIEFLY AND HAS NOT REVIEWED THIS DOCUMENT. IN DECIDING WHETHER OR NOT TO INVEST IN THESE SECURITIES, YOU SHOULD RELY ON YOUR OWN EXAMINATION OF THE COMPANY ISSUING THE SECURITIES AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED.

(b) 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 FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

(c) IN DECIDING WHETHER OR NOT TO INVEST IN THE SECURITIES OFFERED, YOU SHOULD RELY ON YOUR OWN EXAMINATION OF THE COMPANY ISSUING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY. ALSO, NO SUCH AGENCY HAS DETERMINED IF THIS DOCUMENT IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

YOU WILL NOT BE ABLE TO TRANSFER OR RESELL THESE SECURITIES EXCEPT PURSUANT TO REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933 OR AN EXEMPTION FROM REGISTRATION IF AVAILABLE. CONSEQUENTLY, YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF PENNSYLVANIA

ACCORDING TO SECTION 207(M)(2) OF THE PENNSYLVANIA SECURITIES ACT OF 1972: "IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES AND HAVE RECEIVED A WRITTEN NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(M)(2) OF THE PENNSYLVANIA SECURITIES ACT OF 1972, YOU MAY ELECT, WITHIN TWO BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF YOUR BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO BUSINESS DAYS AFTER YOU MAKE THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED, TO WITHDRAW YOU ACCEPTANCE AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL OF ACCEPTANCE WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR PLACEMENT AGENT IF ONE IS LISTED ON THE FRONT PAGE OF THE OFFERING MEMORANDUM) INDICATING YOUR INTENTION TO WITHDRAW.

NOTICE TO RESIDENTS OF SOUTH CAROLINA

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER ONE OR MORE SECURITIES ACTS.

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 COMMISSIONER OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF TENNESSEE

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO RESIDENTS OF VERMONT

(I) INVESTMENT IN THESE SECURITIES INVOLVES SIGNIFICANT RISKS AND IS SUITABLE ONLY FOR PERSONS WHO HAVE NO NEED FOR IMMEDIATE LIQUIDITY IN THEIR INVESTMENT AND WHO CAN BEAR THE ECONOMIC RISK OF A LOSS OF THEIR ENTIRE INVESTMENT. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

(II) IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

(III) THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933 AND THE VERMONT SECURITIES ACT, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

NOTICE TO RESIDENTS OF VIRGINIA

THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND SHALL NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OF QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

NOTICE TO FOREIGN INVESTORS

IF YOU LIVE OUTSIDE THE UNITED STATES, IT IS YOUR RESPONSIBILITY TO FULLY OBSERVETHE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES RELATED TO AN ACQUISITION OF AN INTEREST IN THE FUND, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS AND OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE INTERESTS HAVE NOT BEEN REGISTERED IN ANY COUNTRIES. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN A SPECIFIC TERRITORY OR JURISDICTION, YOU ARE ADVISED TO CONTACT THE MANAGER.

NOTHING CONTAINED HEREIN SHOULD BE CONSIDERED AN OFFER, SOLICITATION, PURCHASE, OR SALE OF AN INTERST IN THE FUND IN ANY JURISDICTIONWHERE THE OFFER, SOLICITATION, PURCHASE, OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF SUCH FOREIGN JURISDICTION OR THE UNITED STATES.

I. SUMMARY OF KEY TERMS

*The following information is presented as a summary of key terms of the offer and sale of the Interests (the "**Offering**") only and is qualified in its entirety by the detailed information appearing elsewhere in this Memorandum, and by the terms and conditions of the Fund's Operating Agreement, a copy of which will be provided to each prospective investor prior to acceptance of any subscription, and the Subscription Agreement, its exhibits, and any documents incorporated therein by reference (the "**Subscription Documents**"). Prior to making any investment in the Fund, the Operating Agreement and Subscription Documents should be reviewed carefully.*

The Fund: **EWM Alternative Investments SPV, LLC – Series 4 – CBD** (the ***"Fund"***) is a newly formed series of ***EWM Alternative Investments SPV, LLC (f/k/a EWM Alternative Investments Special Purpose Vehicle, LLC)*** a Delaware series limited liability company (the ***"Master LLC"***).

The Offering: The Fund is offering, through this Memorandum, the Interests, on a private placement basis, to accredited investors who satisfy the investor suitability standards described in Section IV herein. Persons whose subscriptions are accepted by the Fund will be admitted as members of the Fund ("***Members***"). Each Interest in the Fund includes the right of such Member to any and all benefits to which a Member may be entitled pursuant to the Operating Agreement and under applicable law, together with all obligations of the Member to comply with the terms and provisions of the Operating Agreement and applicable law.

Fund Investment: The activities of the Fund do not constitute a managed investment program. The Fund has been formed for the purpose of building a portfolio of investments including shares of private investment funds and/or private companies that are involved in medical cannabis and related ancillary products and/or service space. The Fund will, from time to time, purchase limited partnership or limited liability company units of funds holding such interests, or acquire direct holdings of shares of stock, debt instruments, or other interests (the "***Portfolio Company Securities***") of companies in the medical cannabis and ancillary service space (the "***Portfolio Companies***" or individually, a "***Portfolio Company***"). The Portfolio Company Securities may be acquired by the Fund directly from the issuers of such securities and/or in the secondary market from third party intermediaries in accordance with Regulation D of the Securities Act of 1933 (the "***Private Placement***"). Other investors may have rights to purchase the Portfolio Company Securities directly from the Portfolio Company or from the same or other sources in the secondary market, and the price paid by the Fund for Portfolio Company Securities may or may not be comparable to prices paid by such other investors, or reflect comparable terms.

The Fund's initial investment will be the acquisition of Units of Membership Interest in Appion Two, LLC, a Delaware Limited Liability Company ("Appion Two") which will acquire preferred stock issued by Constance Therapeutics, Inc. and Ondello, Inc. (HelloMD).

HelloMD is the largest online community of medical cannabis patients, doctors, retailers, and seekers of quality information about cannabis. Founded in 2015 and based in Larkspur, CA, HelloMD is creating its place in the center of the cannabis ecosystem.

Founded in 2008, Constance Therapeutics has created patent pending cannabis extracts that have shown great efficacy in helping patients with very serious conditions such as auto-immune disease and various types of cancer such as breast, esophageal, prostate, and glioblastoma.

Offering Frequency: During the period commencing with the date of this Memorandum and ending with the termination of the Offering, the Fund will accept subscriptions for the Interests. Interests will, at the sole discretion of the Manager, be issued in a single or multiple "rolling" closings (the each, a "***Closing***"), held from time to time at the discretion of the Manager. The first Closing held by the Fund shall be referred to as the "***Initial Closing***." Management has not yet formally established an Initial Closing date, but anticipates that the Initial Closing will occur during the first half of 2018. The Fund Interests will be available for purchase until December 31, 2018, unless extended or terminated prior thereto by the Manager, in its sole discretion.

Any investment after the Late Investment Date established by the Company shall pay to the Fund a late investment fee equal to simple interest at the Prime Rate as measured by the Wall Street Journal Prime Rate of Interest plus two percent (2%) on the investor's Total Commitment, from the date of the Fund's Initial Closing. To the date on which the funds are called by Manager. The late investment fee shall not be treated as a capital contribution or reduce the capital commitment of the investor, but will be distributed by Manager to early investors. Manager reserves the right, in its sole discretion, to waive the late investment fee as to an investor, on a case-by-case basis.

Management: The Manager is the third-party manager of the Fund. All management decisions regarding the business of the Fund will be made by the Manager, and the Members will have limited or no rights to vote, approve, or otherwise participate in the business and affairs of the Fund.

Investment Minimum: The Fund has determined a Minimum Subscription Amount of $100,000 from a Subscriber, although the Manager may accept subscriptions of lesser amounts, in its sole discretion.

Subscription Procedure: An eligible investor may subscribe for Interests by delivering to the Fund properly completed and fully executed Subscription Documents, together with all required supporting documentation. Once made, subscriptions are irrevocable by Subscriber.

Upon acceptance by the Manager of Subscriber's Subscription Documents and satisfaction of the conditions of closing set forth in the Subscription Documents (the "***Closing Conditions***"), Subscriber will be admitted as a Member of the Fund and will have an interest representing a proportionate share of the net assets of the Fund based on relative capital contributions of all Members at the time of Subscriber's Closing.

The Fund intends that each Subscriber's initial contribution will be 100% of the Subscriber's total commitment to the Fund (the "***Total Commitment***"), although the Manager may, in its sole discretion, reduce the initial contribution percentage for any single Subscriber on a case-by-case basis.

Upon receipt of a call notice from the Manager, Subscribers will make its initial contribution, either to an escrow account or directly to the Fund's investment account, at the discretion of the Manager. Subscription amounts shall be available to the Fund immediately.

Under the terms of the Subscription Documents and the Operating Agreement, Subscribers and Members may, from time to time, at the discretion of the Manager, be required to provide representations, documentation, instruments and/or information to facilitate a Closing, satisfy Closing Conditions, satisfy Accredited Investor and/or Qualified Client status, applicable anti-money laundering requirements, and for certain other purposes.

Acceptance / Rejection of Subscriptions: The Manager reserves the right to accept or reject any subscription, in whole or in part. The Manager will notify each Subscriber as to whether it has accepted its subscription.

Fees and Expenses: The Fund shall retain such amounts designated by Manager toward expenses of the Fund to be held in an account in the Fund's name. The expenses of the Fund may include a share of any expenses of the Master LLC, including, but not limited to, formation expenses, which expenses may be allocated or apportioned by the Manager in such proportions as Manager determines in its sole and reasonable discretion. All organizational and operating expenses of the Fund will be paid by the Fund.

Fund Operating Expenses: The Fund shall pay (or reimburse the Manager or its affiliates for) or will be responsible for operating costs and expenses incurred by it or on its behalf, including, but not limited to (a) management fees to the Manager; (b) out-of-pocket expenses that are associated with research, due diligence, and other activities associated with acquiring and/or disposing Portfolio Company Securities, including transactions not completed; (c) extraordinary expenses, if any (such as certain valuation expenses, litigation and indemnification payments); (d) interest on borrowed money, investment banking, financing and brokerage fees and expenses, if any; and (e) expenses associated with the Fund's tax returns and Schedules K-1, accounting and audit, custodial, legal and insurance expenses; and any taxes, fees or other governmental charges levied against the Fund.

Distributions / Liquidity Event The Manager does not expect to make any distributions, other than upon occurrence of a Liquidity Event as to one or more Portfolio Companies.

A "***Liquidity Event***" means the receipt by the Fund of a material amount of cash, or non-cash assets that may readily be transferred or liquidated for cash, received by the Fund in respect of securities of a Portfolio Company held by the Fund. A Liquidity Event for a Portfolio Company shall be deemed to occur upon the earliest of (a) the effectiveness of a registration statement filed by the

Portfolio Company with the SEC on Form S-1 with respect to Identified Shares of such Portfolio Company held by the Fund, after any applicable Lock-Up Period; (b) a Merger Event, including a sale of all or substantially all of the assets, of the Portfolio Company in which the merger consideration is comprised of (i) equity interests of the acquiring company which are registered under the Securities Act, or which are otherwise readily transferable; or (ii) cash or other readily transferable assets; (c) the bankruptcy, liquidation or dissolution of the Portfolio Company; or (d) upon the Manager, in its discretion, determining that the Portfolio Company Securities and any other assets of the Fund in respect of such securities are freely or readily transferable, each as of the date that such consideration is received or such determination of transferability is made.

A "***Merger Event***" shall be deemed to occur in the event that a Portfolio Company merges or consolidates with or into any other entity, and in which the Portfolio Company is not the parent or surviving company, after giving effect to such transaction, the equity owners of the Portfolio Company immediately prior to such transaction cease to own at least a majority of the equity interest of the Portfolio Company.

Because the Fund will hold investments in multiple Portfolio Companies, a Liquidity or Merger Event with regard to one Portfolio Company may or may not result in a distribution. Distributions are at the discretion of the Manager. Distributions may be comprised of (i) Portfolio Company Securities; and/or (ii) cash or other freely transferable securities to the extent that, in connection with a Liquidity Event, the Fund receives such cash or other securities in exchange for Portfolio Company Securities.

The Fund shall first use available assets to repay outstanding debts and obligations, if any, of the Fund, including management fees. Then, distributions shall generally be made in the following proportions and priorities:

(i) First, to the Members who have made a capital contribution, pro rata in proportion to their Interests, until each such Member's capital contributions have been returned; and then

(ii) The Carry Percentage (as defined in the Operating Agreement) of the remainder to the Manager; and the remainder to the Members, pro rata in proportion to their Interests.

Subject to the Manager's ability to establish permitted reserves, the Manager anticipates making final distributions to the Members as soon as is commercially practicable following the occurrence of a Liquidity Event with respect to all Portfolio Company Securities held by the Fund. Interim distributions, if any, will be made at such times as the Manager determines in its sole discretion. All distributions will be made subject to, and following satisfaction of, any requirements relating to or restricting the transfer of Interests or Portfolio Company Securities imposed by the Company or at law. In connection with distributions and if required by the Company, each Member agrees to be subject to the terms of the Portfolio Company Securities purchase

agreement executed by the Fund as if such Member was an original purchaser thereunder.

In the event the Fund receives any distribution in the form of marketable securities, the valuation method for purposes of the Carried Interest shall be based upon the average of the closing share price of such securities on the primary listed exchange for the twenty (20) trading sessions immediately preceding the date of distribution (if the security is readily marketable) or, in the case of restricted securities, the twenty (20) trading sessions prior to the lock-up expiration date (the restrictive legend is removed), which thus permits the security to be marketable.

In the event the Fund receives any distribution in the form of non-marketable securities, the value of these securities for purposes of determining the Carried Interest will be determined based upon the per the Manager's valuation policy at the time of distribution.

For the avoidance of doubt, any expenses relating to brokerage commissions, escrow fees, clearing and settlement charges, custodial fees, and any other costs relating to the transfer of any Portfolio Company Securities or other assets to the Members following a Liquidity Event shall be borne by the Fund. The amount of assets that are distributable to the Members will be net of such expenses.

If tax distributions are received from a Portfolio Company, the Manager will cause the Fund to make a proportionate tax distribution to the Members in respect of their existing liability for income tax with respect to income and gain derived from ownership of the Interest. Tax distributions shall be deemed advances of future distributions to such Members.

Restrictive Agreements and Lockup:

Portfolio Company Securities purchased by the Fund will generally be subject to restrictions on transfer and will likely be subject to a lock-up by which the Fund would not be permitted to distribute Portfolio Company Securities to Members for a period of one hundred eighty (180) days or more following the effective date of an initial public offering of the Portfolio Company Securities (the "***Lock-Up Period***").

Allocations:

The Fund's items of income, gain, loss, or credit recognized by the Fund will be allocated to each Member's Capital Account in a manner generally consistent with the distribution procedures stated in "Distributions" included in this section.

Capital Account:	The Fund will establish and maintain a capital account ("***Capital Account***") for each Member. The Capital Account of a Member shall be (i) increased by (a) the amount of all capital contributions by such Member to the Fund; and (b) any Profits (or items of gross income) allocated to such Member; and (ii) decreased by (a) the amount of any Losses (or items of loss) allocated to such Member; and (b) the amount of any distributions to such Member. Capital Accounts will be maintained in accordance with U.S. federal income tax guidelines applied at the general direction of the Fund's accountants and the Operating Agreement.
Securities Laws:	The Interests will not be registered under the Securities Act. Offers of Interests will be made solely to "*Accredited Investors*" and "*Qualified Clients*." *See* Section IV: "The Offering—Eligible Investors and Suitability Standards."
Investment Company Act of 1940:	The Fund intends to rely on the exemption from registration under the Investment Company Act of 1940 (the "***Company Act***") by reason of the exemption specified in Section 3(c)(1) (for issuers whose securities are beneficially owned by one hundred (100) or fewer investors) or Section 3(c)(7) (for issuers whose securities are owned exclusively by "Accredited Investors" within the meaning of the Company Act) the Company will not admit any investor which is not an "*Accredited Investor*."
Other Business Activities of Managers:	The Manager, for as long as it remains the Manager, shall devote such time to the Fund as is reasonably necessary to effectively manage its affairs. The Manager is not otherwise precluded from engaging in or pursuing, directly or indirectly, any interest in other business ventures of any kind, nature or description, independently or with others.
Manager Not Exclusive:	The Manager is permitted to create and manage one (1) or more subsequent funds having a substantially similar investment strategy without any approval or consent of the Members (a "***Subsequent Fund***").
Exculpation and Indemnification	Not the Manager nor its respective members, managing members, shareholders, partners, employees, directors, officers, advisors, consultants, personnel or agents or affiliates (collectively, "***Indemnified Persons***") will be liable to the Fund or any Member for losses suffered as the result of any action taken by such Indemnified Person so long as (i) such Indemnified Person acted in good faith and believed such conduct was in the best interests of the Fund; and (ii) such conduct did not constitute gross negligence, willful misconduct, bad faith or willful and material breach of a material provision of the Operating Agreement or management agreement. In general, each of the Indemnified Persons and any of the Fund's other agents will be entitled to be indemnified by the Fund against any loss, liability or expense incurred in connection with any action, suit or proceeding related to the Fund as long as (i) such Indemnified Person acted in good faith and believed such conduct was in the best interests of the Fund; and (ii) such conduct did not constitute gross negligence, willful misconduct, bad faith or willful and material breach of a material provision of the Operating Agreement or management agreement. In addition, the Fund may pay the expenses incurred by the Indemnified Person in defending an actual or threatened civil or criminal action

in advance of the final disposition of such action, *provided* such person agrees to repay those expenses if found by final adjudication not to be entitled to indemnification.

Transfer of Interests; Withdrawal of Members: The transfer of any Interests is subject to several restrictions, including the consent of the Manager. The transferee of any Interests must meet all investor suitability standards, comply with all conditions of the Fund and Fund holdings (those of funds held in the Fund as well as any requirements of Portfolio Companies), complete subscription documents and comply with any applicable anti-money laundering requirements. Subscribers may not withdraw from the Fund prior to its termination and dissolution, and no Subscriber has the right to require the Fund to redeem its Interest; *provided* that under limited circumstances, benefit plan members may be permitted or required to withdraw from the Fund.

Dissolution: The Fund shall dissolve and be liquidated upon the earliest of: (a) the end of the term established for the Fund, if any; (b) the occurrence of a Liquidity Event with respect to all Portfolio Companies held by the Fund; (c) at the option of the Manager at any time; or (d) entry of a judicial decree of dissolution pursuant to Delaware law.

On dissolution, the assets of the Fund shall be liquidated by the Manager as promptly as possible; and after provision for a reserve and all other debts and liabilities of the Fund (including those, if any, to Members), the remaining assets will be distributed to the Members in proportion to and in accordance with the Operating Agreement's provisions for distribution of distributable proceeds.

Reports: The Fund's fiscal year will end on December 31. Within ninety (90) days after the end of each Fiscal Year, or as soon as practicable thereafter, the Fund expects to furnish to each Member sufficient information from its information return as is necessary for each Member to complete U.S. federal and state income tax returns with respect to its Interest, along with any other tax information required by law. The Manager will also provide each Member with a quarterly capital account statement. The Manager will retain a Certified Public Accounting firm to conduct an annual audit, a copy of which will be provided to its Members.

Confidentiality: A Subscriber's rights to access or receive any information about the Fund or its business will be conditioned on the Subscriber's willingness and ability to assure that the information will be used solely by the Subscriber for purposes of monitoring its interest in the Fund, and that the information will not become publicly available as a result of the Subscriber's rights to access or receive such information. Each Subscriber will be required to maintain information provided to it about the Fund or its business in confidence and not to disclose the information except in certain limited circumstances. The Manager shall be entitled to withhold certain Fund information from Subscribers who are unable to comply with the Fund's confidentiality requirements.

Limitation of Liability and Indemnification: The Manager and its respective partners, shareholders, members, managers, directors, officers, employees, affiliates and other agents (in each case, an "***Indemnitee***") will not be liable to the Fund or the Members for any act or omission of such parties in such capacity, except to the extent that any losses or

damages incurred by the Fund are primarily attributable to such parties' gross negligence, willful misconduct, bad faith, or fraud. The Fund will indemnify, and may obtain insurance for (at the Fund's expense), the Indemnitees for any losses, claims, expenses, damages, and liabilities ("***Losses***") incurred by them in connection with the Fund, its business, properties and affairs, except for Losses which are primarily attributable to their gross negligence, willful misconduct, bad faith or fraud.

Certain Tax Considerations: The LLC will, for tax purposes, elect to be treated as a partnership. (See Section V, Legal and Tax Matters). As a partnership, the Fund generally will not be subject to U.S. federal income tax, and each Member subject to U.S. income tax will be required to include in computing its U.S. federal income tax liability its allocable shares of the items of income, gain, loss and deduction of the Fund, regardless of whether and to what extent distributions are made by the Fund to such Member.

Unrelated Business Income Tax: The Manager will use its reasonable efforts to cause the Fund not to earn any unrelated business taxable income ("***UBTI***") except for investments which the Manager expects will generate UBTI, as provided in the Operating Agreement.

Employee Benefit Plans and ERISA Matters: Entities subject to the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"), and other tax-exempt entities may purchase Interests upon approval of the Manager only. Trustees or administrators of such entities are urged to carefully review the matters discussed in this summary. Investment in the Fund by entities subject to ERISA and other tax-exempt entities requires special consideration. *See* "Section VII-Considerations for ERISA Plans and Individual Retirement Plans."

Risk Factors: An investment in the Fund and the Fund's investment strategy is speculative and involves a high degree of risk. An investor could lose all or a substantial amount of his or her investment in the Fund. Membership in the Fund is offered for the primary purpose of funding the acquisition of companies and funds involved in the cannabis industry. The Fund's performance may be volatile and is suitable only for persons who can afford fluctuations in the value of their capital. The Fund has limited liquidity and is suitable only for persons who have limited need for liquidity and who meet the suitability standards set forth in this Memorandum. There is no assurance that the Fund will be successful or that its investment objective will be achieved. No secondary market for the Interests is expected to develop, and there are severe restrictions on an investor's ability to withdraw and transfer Interests. The Fund has limited liquidity. *See* "Section VI-Investment Considerations."

Each potential investor should not construe the contents of this Memorandum as legal, tax, investment or other advice. Each recipient hereunder should carefully review this Memorandum and obtain the advice of legal, accounting, tax and other advisors in connection therewith before deciding to invest in the Fund.

Please also specifically read the Appion Disclosures attached hereto as Appendix B, which contains additional risk factors of investing the cannabis

industry as well as specific risk factors related to the Fund's initial investment in Appion Two and indirectly in HelloMD and Constance Therapeutics.

Investments by Non-U.S. Investors: Investments from non-U.S. investors may be accepted.

Amendments The Operating Agreement provides broad discretion to the Manager to amend the Operating Agreement without the consent of the Members. Subscribers are encouraged to read the provisions of the Operating Agreement relating to amendments. Additionally, the Manager may waive or modify any provision of the Operating Agreement with respect to any Member or prospective Member by agreement therewith. Notwithstanding the foregoing, the Manager may not amend the Operating Agreement, or waive or modify any provision of the Operating Agreement with respect to any Member, in any way that materially adversely affects the economic interests of a Member's Interest without the consent of the Member.

Portfolio Company Disclosure Material Manager will rely upon information provided by Portfolio Companies in connection with an investment in the Portfolio Company Securities (the "Disclosure Materials"). Manager will upload and make available to Subscriber the Disclosure Materials it has considered relative to each Portfolio Company in the wealth portal/digital online vault provided by Manager to Subscriber. Disclosure Materials related to Appion Two have been made available to Subscriber at the time of furnishing this Memorandum. Neither the Fund nor its Manager makes any representation regarding the accuracy or completeness of the Appion 2 Disclosure Materials.

No Voting Rights Members will not have management rights. Members will not have voting rights except under the limited circumstances expressly provided in the Operating Agreement.

Proxy Voting Policy The Manager will exercise proxy voting authority on behalf of the Fund. In exercising its proxy voting authority, the Manager expects to vote in a manner in which it believes is in the best interest of the Fund.

Shareholder Rights The Manager shall not be obligated to exercise any shareholder rights with respect to the Portfolio Company Securities such as pre-emptive rights, co-sale rights, tag-along rights, etc., but may choose to do so on behalf of the Members in its sole discretion. The Manager may choose to assign such rights to another entity for the benefit of the Members in its discretion.

II. THE PORTFOLIO COMPANIES AND FUND INVESTMENT

The purpose of the Fund is to build a portfolio of investments in funds investing in and/or companies that are involved in medical cannabis and ancillary service space and hold such investments until a Liquidity Event for each respective Portfolio Company, at which point the Fund will distribute the Portfolio Company Securities or any publicly-traded securities received in exchange for the Portfolio Company Securities, or the net proceeds realized by the Fund in connection with the Liquidity Event.

The first investment that the Fund will make is in Appion Two, LLC. Appion Two is being formed to take advantage of a secular change in U.S. and Global health care, pharmaceutical and nutraceutical markets: the recent adoption of legal cannabis as a choice for patients and adults alike. Two California-based, early-stage start-up companies, HelloMD and Constance Therapeutics will comprise the two investments in Appion Two, a two-portfolio company Special Purpose Vehicle built and managed by Granite Hall Partners.

HelloMD is the largest online community of medical cannabis patients, doctors, retailers, and seekers of quality information about cannabis. Founded in 2015 and based in Larkspur, CA, HelloMD is creating its place in the center of the cannabis ecosystem.

Founded in 2008, Constance Therapeutics has created patent pending cannabis extracts that have shown great efficacy in helping patients with very serious conditions such as auto-immune disease and various types of cancer such as breast, esophageal, prostate, and glioblastoma.

The Investment Overview and Disclosure Materials provided by Appion Two to the Fund that were reviewed and considered by Manager in connection with an investment in Appion Two have been uploaded and made available to Subscriber in the wealth portal/digital online vault provided by Manager to Subscriber.

The activities of the Fund do not constitute a managed investment program. The Fund has been formed solely to serve as a vehicle through which eligible investors may participate indirectly in the Portfolio Company Securities.

III. MANAGEMENT OF THE FUND

The Fund will be managed by Endowment Wealth Management, Inc., a State of Wisconsin Registered Investment Advisor. The Manager is responsible for the management and day-to-day administration and operations of the fund. The Operating Agreement and/or Management Agreement contains limitations on the liability of the Manager and its affiliates for any action taken, or any failure to act, on behalf of the Fund unless there shall be a judgment or other final adjudication adverse to the Manager and such affiliates establishing that the (1) the Manager's acts or omissions were in bad faith or involved intentional misconduct or gross negligence; and (2) the Manager personally gained in fact a financial profit or other advantage to which the Manager was not legally entitled. The Operating Agreement also provides for indemnification of the Manager and its affiliates and advance of certain expenses for any losses for which the Manager is absolved from liability under the terms of the Operating Agreement.

Endowment Wealth Management, Inc.

Endowment Wealth Management, Inc. is a multi-family office of professional wealth advisors whose sole mission is to provide wealth sustainability for individuals, families, endowments, foundations and retirement plans. Endowment Wealth Management, Inc. is a registered investment advisor in the State of Wisconsin. It is located at 2200 North Richmond Street, Suite 200 in Appleton, Wisconsin.

Robert L. Riedl, CPA, CFP®, AWMA®, Director of Wealth Management

Rob directs the Family Wealth Management services of the Company. He is the first point of contact for our prospective clients, conducting introductory meetings with clients to discuss their family dynamic and wealth management needs. Rob assumes the role of the client family's Chief Financial Officer and coordinates with the client's current professionals (i.e. attorney, tax accountant, stockbroker, insurance agent) to provide an integrated wealth management plan.

Rob's thirty (30) years of professional experience is key when consulting with client's families, businesses and institutions. He began his career at Arthur Anderson & Co., as a staff accountant, serving the needs of small business clients. He was the founder and President of Fox Valley Spring Company and President of Oak-Bay Corporation. Additionally, Rob held a consultant role providing strategic advice to entrepreneurs in areas such as corporate structure, customer base, product mix and systems. For the past ten (10) years, Rob was the Director of Wealth Management and a Member of the Investment Committee at Sumnicht & Associates, LLC. During Rob's tenure with his prior employer, the entity won numerous accolades and rankings from Bloomberg and Worth magazines. He was involved in helping incubate and launch their ETF model management business in February of 2005 under the brand name iSectors.

Rob received his Bachelor's Degree from Marquette University with a double major in Accounting and Finance. He received his CPA designation from the State of Wisconsin in 1983, became a Certified Financial Planner (CFP®) in 1984, and received his Accredited Wealth Management: Advisor (AWMA®) designation from the College for Financial Planning in November of 2005.

Prateek Mehrotra, MBA, CFA®, CAIA®, Chief Investment Officer

As Chief Investment Officer, Prateek is responsible for sourcing, analyzing, recommending, monitoring and reporting on both alternative and traditional investments. He manages relationships with high net worth clients, institutional investors, and traditional/alternative (hedge funds, private equity and real assets) money management firms.

Prior to joining the Company, Prateek worked at Sumnicht & Associates, LLC (and its affiliate iSectors, LLC) a SEC-registered investment advisory firm for over ten (10) years as Chief Investment Officer and as a Member of its Investment Committee. His prior employer won numerous accolades and rankings from Bloomberg and Worth magazines during his tenure there. He was involved in helping incubate and launch their ETF model management business in February of 2005 under the brand name iSectors.

Prior to coming to Wisconsin, Prateek was a principal with GTG Ventures, Inc., in Palo Alto, California, where he was responsible for sourcing and analyzing investment opportunities across various technology sectors. He also worked overseas at a boutique investment company and was involved in co-managing a PIPE fund and a hedge fund-of-funds, among other alternative investing activities. He has over 20 years of experience in the financial services industry involved in areas as diverse as sell-side investment banking, leasing, portfolio management, and buy-side alternative assets investing. Prateek has lived and worked in India and the Middle East, and brings a wealth of global experience and perspective to the Company.

He earned his Bachelor's Degree in Technology from the Indian Institute of Technology, Kanpur, India. Prateek earned his MBA from Lehigh University in Bethlehem, Pennsylvania and was a Rotary International Scholar while attending Lehigh. He is both a Chartered Financial Analyst (CFA®) Charter Holder and a Chartered Alternative Investment Analyst (CAIA®). The CAIA® program is the global mark of distinction for alternative investments, and Prateek has blazed the trail by being the first CAIA® Charter Holder in Wisconsin.

Tim Landolt, MBA, Director of Institutional Services, Endowment Wealth Management, Inc.

As Director of Institutional Services, Tim Landolt is actively involved in the client portfolio research and review process for EWM. He also directs portfolio model changes with our asset management and custodial partners and is involved with the firm's retirement plan development and servicing activities. Tim is also responsible for guiding many of the operating functions of the firm's affiliate, ETF Model Solutions®, including coordinating underlying ETF research activities, conducting model rebalancing and trading, marketing development, compliance, operations, and a resource contact for advisors and clients of the firm.

Tim brings an extensive background in the investment management and financial services industry to the Firm. Prior to joining the firm, Tim previously managed nearly all business functions for an SEC-registered ETF model management firm, including ongoing research and analysis of tactical asset allocation strategies, model trading, operations, compliance, performance reporting, and marketing collateral and web content development during his 6+ year tenure. Tim previously held roles as a portfolio manager and research analyst. Tim also worked at William O'Neil+Co., in Los Angeles, CA, where he served in various capacities, including fundamental research, institutional marketing, and National Sales Manager for the firm's $300 million mutual fund. Tim has been quoted in national business publications and has appeared on CNBC.

Tim earned his Bachelor's Degree in Business from the University of Wisconsin-Oshkosh. Tim earned his MBA from Loyola Marymount University in Los Angeles, CA, and is a member of Beta Gamma Sigma National Honor Society.

IV. THE OFFERING

Eligible Investors and Suitability Standards

Interests are offered only to certain sophisticated investors that are individuals, corporations, partnerships, limited liability companies, trusts and, in the Manager's discretion, Employee Benefit Plans and Tax-Exempt Entities, and other investors that meet the suitability requirements described below. As used in this Memorandum, "*Employee Benefit Plan*" investors include benefit plans subject to part IV of Title I of ERISA, such as employer-sponsored pension plans and profit-sharing plans, and plans subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "***Code***"), such as Keogh plans and individual retirement accounts ("***IRAs***"), other employee benefit or qualified retirement plans, and other entities whose assets are deemed to include assets of any Employee Benefit Plan. In addition, the term "***Tax-Exempt Entities***" includes any entity exempt from federal income taxation, including Employee Benefit Plans and private foundations and endowments.

In addition to the net worth, income and investments standards described below, each investor must have funds adequate to meet personal needs and contingencies, must have no need for prompt liquidity from investment in the Fund and must purchase Interests for long-term investment only and not with a view to resale or distribution.

Each investor must also have sufficient knowledge and experience in financial and business matters generally, and in securities investment in particular, to be capable of evaluating the merits and risks of investing in the Fund. Because of the restrictions on withdrawing funds from the Fund and the risks of investment, an investment in the Fund is not suitable for an investor that does not meet the suitability standards discussed in this Memorandum.

Subscribers must represent to the Company that they are "Accredited Investors" as that term is defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended, and "Qualified Clients"), as defined in Rule 205-3 as promulgated under the Investment Advisers Act of 1940, as amended. If an investor does not meet this criteria, it should return this Memorandum to the Manager immediately. The Manager reserves the right to reject the Subscription Agreement of any prospective investor for which it appears, in the exclusive discretion of the Manager, that an investment in the Fund may not be suitable. A prospective investor should not, however, rely on the Manager to determine the suitability of its investment in the Fund. Investors that do not have a substantive and preexisting relationship with the Manager or any of its affiliates must not consider themselves to be offerees of the Interests.

****Standards for Accredited Investors and Qualified Clients shall be attached to this Memorandum.***

Reliance on Subscriber Information

Representations and requests for information regarding the satisfaction of investor suitability standards are included in the Subscription Agreement that each prospective investor must complete. The Interests have not been registered under the Securities Act and are being offered in reliance on Section 4(a)(2) thereof and Regulation D thereunder, and in reliance on applicable exemptions from state law registration or qualification provisions. Accordingly, before selling Interests to any offeree, the Manager will make all inquiries reasonably necessary to satisfy itself that the prerequisites of such exemptions have been met. Prospective investors will also be required to provide whatever additional evidence is deemed necessary by the Manager to substantiate information or representations contained in their respective Subscription Agreements. The standards set forth above are only minimum standards. The Manager reserves the right, in its exclusive discretion, to reject any Subscription Agreement for any reason, regardless of whether a prospective investor meets the suitability standards contained herein. In addition, the Manager reserves the right, in its exclusive discretion, to waive minimum suitability standards not imposed by law.

The Manager will impose suitability standards comparable to those contained herein in connection with

any resale or other transfer of Interests permitted under the Operating Agreement.

Plan of Distribution

Interests are being offered and will be sold directly by the Manager on behalf of the Fund. The Manager or the Fund may engage underwriters, brokers, dealers, or finders in connection with the offer or sale of Interests.

V. LEGAL AND TAX MATTERS

Prospective investors should confer with their tax advisors regarding the tax consequences of investment in the Fund, including the impact of state, local, and foreign tax laws, in light of the prospective investors' particular circumstances. The Manager assumes no responsibility for the tax consequences of this transaction to any investor.

Federal Income Tax Treatment as a Partnership

The Fund believes, and the remainder of this discussion assumes, that the Fund will be treated as a partnership for federal income tax purposes and that each Member in the Fund will be treated as a partner for federal income tax purposes.

Because it will be treated as a partnership for federal income tax purposes, the Fund will file annual income tax information returns but will not be subject as an entity to federal income tax liability. Instead, each Member will receive an IRS Form 1065, Schedule K-1, showing the Member's share of the Fund's income, gain, loss, deduction and credit for each tax year. Each Member generally will be required to report, on the Member's separate income tax return, such Member's share of Fund income, gain, loss, deduction and credit, whether or not any cash or other property is distributed to such Member by the Fund. In the absence of cash distributions from the Fund, a Member may have to use funds from other sources to pay taxes with respect to any Fund income or gain that is allocated to that Member. Similarly, each Member generally will be able to report its share of losses of the Fund, if any, for tax purposes, subject to certain limitations (discussed below), even if the Member receives a cash distribution.

Allocations of Profits and Losses

Profits and Losses will be allocated among Members in accordance with the Operating Agreement. The Manager believes that allocations of Profits and Losses contained in the Operating Agreement will be in accordance with the Members' Interests in the Fund or will have "*substantial economic effect*" within the meaning of the Regulations under Section 704 of the Code. Accordingly, the Manager expects that the allocations contained in the Operating Agreement will be respected by the IRS.

State and Local Taxation

The foregoing discussion does not address the state and local tax considerations of an investment in the Fund. Each prospective investor should consult with its own tax advisor for detailed information on state and local income tax consequences of making an investment in the Fund.

Foreign Investors

Non-U.S. investors may be subject to U.S. tax rules that differ significantly from those summarized herein. For example, among other things, the Fund may be required to withhold tax from the investor and its share of certain items of the Fund's income, and a non U.S. investor could be required to file U.S. tax returns. Non-U.S. investors should consult their tax advisor before making an investment in the Fund. Foreign investors are responsible for filing all required tax returns in all applicable jurisdictions.

The tax aspects of the Fund summarized above are general in nature, and this discussion is not intended to include a complete explanation of the federal income tax results of investing in the Fund. Each prospective investor should consult with its own tax advisor for detailed information.

VI. INVESTMENT CONSIDERATIONS

An investment in the Fund involves a significant amount of risk and is suitable only for sophisticated investors of substantial means who have no immediate need for liquidity in the amount invested, and who understand and can afford a risk of loss of all or a substantial part of such investment. Accordingly, investors should carefully consider the following factors, among others, before making an investment in the Fund.

Risk Factors Related to Portfolio Company Securities

Limited Information About Portfolio Companies. Neither the Company, the Manager nor any of their affiliates is providing Subscribers with any information, financial, operating or otherwise regarding any of the Portfolio Companies, and given that a Portfolio Company may not be a public reporting company or listed on any national securities exchange, only limited information about Portfolio Companies, their performance, prospects for growth, success or a liquidity event may be publicly available given that a Portfolio Company may not be a public reporting company or listed on any national securities exchange. Accordingly, an investment decision to purchase shares of funds holding Portfolio Company Securities or Portfolio Companies indirectly through the Fund must be made by the Subscriber without certain other data that in the context of other investment decisions might be a necessary part of an investor's appraisal of the investment's advisability. Investors considering an investment in the Fund must be aware that there is a risk that: (i) there are facts or circumstances pertaining to the Portfolio Companies the public and the investor are not aware of, and (ii) publicly available information concerning Portfolio Companies upon which the investor relies proves to be inaccurate, and, as a result of (i) or (ii), the investor suffers a partial or complete loss on its investment.

Blind Pool Risk. This is a "blind pool" offering, which means that the Manager has not yet identified or acquired all of the funds or Portfolio Company Securities that the Fund may acquire. Because of this, investors will not have the opportunity to evaluate the Fund investments before they are made. The Fund investment policies and strategies are very broad and permit the Fund to invest in any cannabis investment it deems appropriate.

Potential Loss of Investment. There can be no assurance that the value of the Portfolio Company Securities will appreciate, that the Fund will be successful in purchasing and/or selling Portfolio Company Securities at advantageous prices or that any investment in Portfolio Company Securities will prove to be profitable. As is true of any investment, there is a risk that an investment in the Fund will be lost entirely or in part. Investment in the Fund is not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

No Control over Portfolio Companies or their Future Valuation. The Fund will not obtain representation on the board of directors of any of the funds or Portfolio Companies and will not have any control over the management thereof. The success of the Fund's investment in Portfolio Company Securities depends on the ability and success of the management of the Portfolio Companies in implementing their respective business plans and maximizing the value of their securities, in addition to economic and market factors. There may be no market for the Portfolio Company Securities and any market that does develop may be very limited. Accordingly, valuations may fluctuate considerably and the per-share valuations that are negotiated by the Fund for each respective Portfolio Company may bear limited or no relationship to future valuations of the Portfolio Company in any market that may develop for such shares, whether private or public.

Limited Liquidity of Portfolio Company Securities. In the event that the Manager determines (or the manager of the affiliate through which the Fund may acquire Portfolio Company Securities indirectly determines) to make distributions of Portfolio Company Securities, there is no market through which the Portfolio Company Securities may be sold, and even if there were such a market, the transfer of Portfolio Company Securities is likely to be subject to significant restrictions described in the documents pursuant to which the Fund will acquire the Portfolio Company Securities. In addition, the Portfolio Company Securities will not be registered under federal securities laws or qualified under any state securities law, and the Portfolio Company Securities will be sold in reliance upon exemptions under such laws. Unless the Portfolio Company Securities are registered with the Securities and Exchange Commission (the "**SEC**") and any required state authorities, or an appropriate exemption from registration is available, Members who receive Portfolio Company Securities in a distribution by the Fund may be unable to liquidate such securities, even though his or her personal financial condition may dictate such a liquidation. Therefore, prospective investors who require liquidity in their investments should not invest in the Fund.

No Assurance of an IPO of or other Liquidity Event in Portfolio Companies. Although an investment in the Portfolio Company Securities may offer the opportunity for gains, such investment involves a high degree of business and financial risk and uncertainty that can result in substantial losses. No public market currently exists for any of the Portfolio Company Securities and no assurance can be given that an IPO or other liquidity event will be consummated by any of the Portfolio Companies in the future. The management and board of directors of a Portfolio Company may have a differing view of the efficacy of an IPO or other liquidity event than that of the Members or the Manager. The Fund will be dependent on the decisions of the management and board of directors of each Portfolio Company that will affect the value and liquidity of Portfolio Company Securities.

Restrictive Securities Agreements and Lockup. Any Portfolio Company Securities purchased by the Fund will be subject to the same restrictions on transfer in the hands of the Fund as they are in the hands of the Sellers. Those agreements generally include a lock-up by which the Fund would not be permitted to sell or distribute the Portfolio Company Securities for a period of 180 days following the effective date of an initial public offering by such Portfolio Company.

Concentration of Investment. Membership in the Fund is offered for the primary purpose of funding the indirect or direct investment in companies involved in the cannabis industry and related products and services. Initially, the Fund's investments will be concentrated in Appion Two and therefore is subject to greater volatility and is more susceptible to any single economic, political or regulatory occurrence than will be the case if and/or when the Fund's investments become diversified.

Future Valuation Fluctuations. There may or may not be a secondary market for Portfolio Company Securities held by the Fund. If any such market exists, such securities transactions occurring in that market are likely to be limited and privately negotiated. Accordingly, valuations may fluctuate considerably and the Unit Price may bear limited or no relationship to future valuations of the Portfolio Companies in any market that may develop for such shares, whether private or public.

No Public Market in Portfolio Company Securities. An investment in the Portfolio Company Securities involves a high degree of business and financial risk that can result in substantial losses. No public market currently exists for the Portfolio Company Securities and no assurance can be given that Liquidity Events will occur in the future for any of the respective Portfolio Companies, or that upon such Liquidity Event, the Portfolio Company Securities will be freely tradable at a price per share that is higher than the price per share paid by the Fund or at a price per share that is higher than the Unit Price paid by a Member.

Expenses Charged to the Company. The Fund may allocate certain extraordinary expenses under the terms of the Operating Agreement and such expenses will be allocated among the Members in accordance with terms of the Operating Agreement. Such fees or expenses will reduce, perhaps materially, a Subscriber's return on investment.

*****Risks Related to Appion Two.*** Prospective investors should carefully review and consider the risk factors related to Appion Two and its investment in HelloMD and Constance Therapeutics, as described in the respective Target Disclosures provided with this Memorandum as Appendix B.

General Investment Related-Risks

Risks Associated with Portfolio Company Securities. Private equity and venture capital investments involve a high degree of business and financial risk and can result in substantial losses. There generally will be little or no publicly available information regarding the status and prospects of Portfolio Companies. Many investment decisions by the Manager will be made based upon information available in the public domain only. Manager may be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify. The marketability and value of each investment will depend upon many factors beyond the Manager's control. Portfolio Companies may have substantial variations in operating results from period to period, face intense competition, and experience failures or substantial declines in value at any stage. The public market for technology and other emerging growth companies is extremely volatile. Such volatility may adversely affect the development of a Portfolio Company, the ability of the Fund to dispose of investments and the value of investment securities on the date of sale or distribution by the Fund. In particular, the receptiveness of the public market to initial public offerings by a Portfolio Company may vary dramatically from period to period. An otherwise successful Portfolio Company may yield poor investment returns if it is unable to consummate an initial public offering at the proper time. Even if a Portfolio Company affects a successful public offering, the Portfolio Company Securities may be subject to contractual "*lock-up*," securities law or other restrictions which may, for a material period of time, prevent the Fund or the Members from disposing of such securities. Similarly, the receptiveness of potential acquirers of a Portfolio Company will vary over time and, even if a Portfolio Company investment is disposed of via a merger, consolidation or similar transaction, the stock, security or other interests held by the Fund in the surviving entity may not be marketable. There can be no guarantee that any Portfolio Company investment will result in a liquidity event via public offering, merger, acquisition or otherwise. Generally, the investment will be illiquid and difficult to value, and there will be little or no collateral to protect an investment once made. At the time of the Fund's investment, a Portfolio Company may lack one (1) or more key attributes (*e.g.*, proven technology, marketable product, complete management team or strategic alliances) necessary for success. In most cases, investments will be long term in nature and may require many years from the date of initial investment before disposition.

Limited Liquidity of the Fund Interests. No market for the Fund Interests can be expected to develop, and it may be difficult or impossible to transfer any Fund Interests, even in an emergency. In addition, a Member will not have the right to withdraw any amount of its investment in the Fund without the prior consent of the Manager, which consent may be withheld for any reason. As a result, an investment in the Fund would not be suitable for an investor who needs liquidity.

Risks Associated With Passive Investments. Although the Fund will most often be making venture capital investments in Portfolio Companies through a passive strategy, all private equity/venture capital investments are speculative in nature, and the possibility of partial or total loss of capital will exist. The Manager will not have or will have little control over the day-to-day management of the Portfolio Companies.

No Assurance of Profit or Distributions. The Fund's follow-on investment strategy in startups, ideas, technologies and generally unproven companies, managing such investments, and realizing a significant return for investors is uncertain and unlikely. Many organizations operated by persons of competence and integrity have been unable to make, manage and realize such investments successfully. There is no assurance that the Fund's investments will be profitable or that any distributions will be made to the Members. The marketability and value of any such investment will depend upon many factors beyond the control of the Fund. The expenses of the Fund may exceed its income, and the Members could lose the entire amount of their contributed capital.

Availability of Investment Capital. Many Portfolio Companies will require several rounds of capital infusions before reaching maturity. The Fund and its co-investors may not provide any or only a portion of the necessary follow-on capital to a Portfolio Company. Accordingly, third-party sources of financing may be required. There is no assurance that such additional sources of financing will be available, or, if available, will be on terms beneficial to the Fund. Furthermore, the Fund's capital is limited and may not be adequate to protect the Fund from dilution resulting from multiple rounds of portfolio company financings. If the Fund does not have capital available to participate in subsequent rounds of financing, failure to participate may have a significant negative impact on the Portfolio Company as well as the value of the Fund's investment(s).

Risks Inherent in the Cannabis Industry. Because Cannabis is regulated by the Federal government, businesses operating in this space face unique challenges that are atypical to other business ventures. These risks include, but are not limited to: (i) companies connected to the cannabis industry may be at risk of federal and perhaps state criminal prosecution. Furthermore, the Department of the Treasury has issued guidance noting "The Controlled Substances Act makes it illegal under federal law to manufacture, distribute or dispense marijuana". Many states impose and enforce similar prohibitions. Notwithstanding the Federal ban, as many as 20 or more states and the District of Columbia have legalized certain marijuana activity, (ii) limited or no access to basic banking services, such as a checking account or line of credit. Financial institutions ultimately answer to the federal government, and providing banking services to the cannabis industry could be construed as money laundering since the drug is still illegal at the federal level. Without basic banking services, cannabis-based businesses are forced to deal in cash, which is both a security concern and a growth inhibitor, (iii) U.S. tax code denies companies involved in the cannabis industry the ability to take normal tax deductions since they're selling a federally illegal substance. The end result is that cannabis businesses are paying tax on their gross profit instead of their net profit, thus leaving less money left over to hire, buy new product, innovate, and expand, (iv) the industry is young and fragmented and involves significant competition (v) the U.S. Drug Enforcement Agency classifies cannabis as a Schedule 1 (i.e. illicit) substance and there is no reason to believe this status may change in the foreseeable future, if ever, (vi) the current U.S. administration, including the U.S. Attorney General Jeff Sessions, have historically been opposed to loosening U.S. regulations when it comes to cannabis, (vii) as many states and municipalities have legalized or decriminalized the use of cannabis in recent years, the federal government has largely "looked the other way". Any change in the federal or state and local government's response to this expansion would severely limit and potentially destroy the value of any investment in the cannabis space, (viii) there is no guarantee that the recent trend of states loosening regulations on cannabis use may continue, (ix) public support of the cannabis industry is largely based on

a growing belief that there are medical benefits from the use of cannabis and there is a limited base of scientific evidence confirming such benefits. Furthermore, there is conflicting evidence that any such benefits exist. Further research will be necessary to confirm such benefits and there is no guarantee that such research will be able to so. Any research that would fail to confirm any medical benefits or discover harmful short or long-term consequences of cannabis use would be seriously detrimental to the growth or even continued existence of many companies involved in the cannabis industry, (x) further public support favoring the relaxation of regulations is not guaranteed, (x) should Congress or the DEA change classification of cannabis to a Schedule 2 drug, the U.S. Food and Drug Administration would have full regulatory authority on the marketing and packaging of cannabis products, requiring lengthy and costly clinical trials to demonstrate effectiveness, and (xi) there are a large number of companies seeking to profit from the cannabis space. Competition is significant and the industry is very fragmented.

Risk Inherent in Investing Through a Series LLC. Under Delaware law, a Limited Liability Company (LLC) may be composed of individual series of membership interests. This type of entity is referred to as a Series LLC. Each series effectively is treated as a separate entity, meaning the debts, liabilities, obligations, and expenses of one series cannot be enforced against another series of the LLC or against the LLC as a whole. Each series can hold its own assets, have its own members, conduct its own operations and pursue different business objectives, but remain insulated from claims of members, creditors or litigants pursuing the assets of or asserting claims against another series. There is a certain degree of uncertainty surrounding the Series LLC form. For example, the legal separation of the assets and liabilities of each series in a Series LLC has not been tested in court. Although Delaware-law clearly provides for legal separation of series, it is unclear whether courts in other states and/or jurisdictions would recognize a legal separation of assets and liabilities within what is technically a single entity. Therefore, even if a Series LLC were properly operated with distinct records relating to the assets and liabilities of each series, a court in another jurisdiction could determine not to recognize the legal separation afforded under law.

Long-Term Investment. An investment in the Fund is a long-term commitment and there is no assurance of any distribution to the Members. There is not now and there is not expected to be a public market for the Interests. The Interests may not be assigned, transferred or encumbered without the prior written consent of the Manager. Accordingly, a Member may not be able to liquidate its investment and must be prepared to bear the risks of owning its Interest for an extended period of time. The Interests will not be registered under the Securities Act, or under the various "*Blue Sky*" or securities laws of the state or jurisdiction of residence of any Member. The Interests are being offered only to selected "*accredited investors*" under an exemption from registration provided by Section 4a(2) of the Securities Act and the rules of the SEC thereunder and exemptions from registration provided under the various applicable "*Blue Sky*" and other state securities laws. The inability to transfer Interests in the Fund may limit the availability of estate planning strategies.

Management of the Fund. The Members have no right or power to take part in the management of the Fund. Accordingly, the Members will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Fund. The Members will not receive the detailed financial information issued by the Portfolio Companies that may be available to the Manager. Accordingly, no person should purchase Interests unless such person is willing to entrust all aspects of the management of the Fund to the Manager. The Manager may be removed and/or replaced as provided in the Operating Agreement.

Limited Information. Only limited information has been or will be made available to investors, the Fund, and the Manager regarding the Portfolio Company Securities held directly or indirectly by the Fund. Neither the Fund nor the Manager nor any of their affiliates is able to verify the veracity of any information of the Portfolio Company Securities that is publicly available, and neither the Fund nor the Manager makes any representation or warranty that such data or information is complete, correct or accurately reflective of the Portfolio Company Securities to which it relates.

In addition, neither the Fund nor the Manager nor any of their affiliates has conducted any independent diligence on the Portfolio Company Securities held directly or indirectly by the Fund, other than investigation and analysis of the Disclosure Materials and publicly available information. Accordingly, an investment decision to purchase the Interests must be made based solely on the investor's own assessment of the Portfolio Company based on the Disclosure Materials, which may not include such information (or any) that in the context of other investment decisions might be a necessary part of an investor's appraisal of the investment's advisability. Investors considering an investment in the Fund must be aware that there is a risk that: (i) there are facts or circumstances pertaining to the Portfolio Company that the public (including the Manager) and the investor are not aware of; and (ii) the Disclosure Materials or publicly available information concerning the Portfolio Company upon which the investor relies may prove to be inaccurate, and as a result of (i) or (ii), the investor may suffer a partial or complete loss on its investment. The Manager does not assume any responsibility for the accuracy or completeness of the Disclosure Materials or any publicly sourced information.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of an investment in a Portfolio Company, the Fund may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The Fund may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Manager may establish reserves and escrows. In that regard, distributions may be delayed or withheld or, if made, may be subject to recall until such reserve is no longer needed. Furthermore, under the Delaware Revised Uniform Partnership Act, each Member that receives a distribution in violation of such Act will be obligated, under certain circumstances, to re-contribute such distribution to the Fund.

Fund Not Registered. The Fund is not expected to be registered under the Investment Company Act pursuant to an exemption set forth in Section 3(c)(1) and/or Section 3(c)(7) of the Investment Company Act. The Investment Company Act provides certain protection to investors and imposes certain restrictions on registered investment companies (including, for example, limitations on the ability of registered investment companies to incur debt), none of which will be applicable to the Fund.

Taxation Risks. An investment in the Fund may involve complex U.S. federal income tax considerations that will differ for each Subscriber. Under certain circumstances, the Subscribers could be required to recognize taxable income in a taxable year for U.S. federal income tax purposes, even if the Fund either has no net profits in such year or has an amount of net profits in such year that is less than such amount of taxable income. Furthermore, the Subscribers could incur U.S. federal income tax liabilities without receiving from the Fund sufficient distributions to defray such tax liabilities. Subscribers subject to taxes associated with the Fund's activities will be liable to pay taxes on their allocable shares of the Fund's taxable income. There can be no assurances the Fund will have available cash or that timely Fund distributions will be made to cover such taxes. Accordingly, a Subscriber may be required to use cash from sources other than the Fund to pay such Subscriber's allocable share of the Fund's taxable income. The Fund will file an annual information return on IRS Form 1065 and will provide information on Schedule K-1 to each Member following the close of the Fund's taxable year if deemed necessary by the Manager. In the likely event that the Fund does not receive all of the underlying tax information necessary to prepare the Form 1065 and Schedule K-1 on a timely basis, the Fund will be unable to provide timely final tax

information to the Members. Each Member will be responsible for the preparation and filing of such Member's own income tax returns, and Members should expect to file for extensions for the completions of their U.S. federal, state, local, non-U.S., and other income tax returns.

Tax Laws. No assurance can be given that current tax laws, rulings, and regulations will not be changed during the life of the Fund. Prospective Subscribers should consult their tax advisors for further information about the tax consequences of purchasing an Interest in the Fund.

Withholding and Other Taxes. The Manager intends to structure the Fund's investments in a manner that is intended to achieve the Fund's investment objectives. Notwithstanding anything contained herein to the contrary, there can be no assurance that the structure of any investment will be tax efficient for any particular investor or that any particular tax result will be achieved. In addition, tax reporting requirements may be imposed on investors under the laws of the jurisdictions in which investors are liable for taxation or in which the Fund purchases Portfolio Company Securities. Prospective investors should consult their own professional advisors with respect to the tax consequences to them of an investment in the Fund. Furthermore, the Fund's returns in respect of its investments may be reduced by withholding or other taxes.

Recourse to the Fund's Assets. The Fund's assets, including any investments made by the Fund and the Portfolio Companies held by the Fund, are available to satisfy all liabilities and other obligations of the Fund. If the Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and will not be limited to any particular assets, such as the asset representing the investment giving rise to the liability. Accordingly, investors could find their interest in the Fund's assets adversely affected by a liability arising out of an investment of the Fund.

Factual Statements. Certain of the factual statements made in this Memorandum are based upon information from various sources believed by the Manager to be reliable. The Manager and the Fund have not independently verified any of such information and shall have no liability for any inaccuracy or inadequacy thereof. In particular, neither legal counsel nor any other party has been engaged to verify any statements relating to the experience, track record, skills, contacts or other attributes of the Members of the Manager or to the anticipated future performance of the Fund.

While all such information in this Memorandum is presented by the Manager in good faith, there can be no assurance that explicit or implicit valuations of such securities reflect true fair market value. Similar considerations apply to securities that are otherwise marketable, but held in such large amounts that they could not be sold without overwhelming market demand or otherwise influencing market prices.

During the Term of the Fund, the Manager will provide to the Members reports and other information regarding the condition and prospects of the Fund and its Portfolio Company. The Manager's duties, obligations and liability to the Members with respect to the content, completeness and accuracy of such information will be determined solely under the Operating Agreement.

Uncertainty of Future Results. This Memorandum may contain certain financial projections, estimates, and other forward-looking information. This information was prepared by the Manager based on its experience in the industry and on assumptions of fact and opinion as to future events which the Manager believed to be reasonable when made. There can be no assurance, however, that assumptions made are accurate, that the financial and other results projected or estimated will be achieved, or that similar results will be attainable by the Fund. Prior investment returns are not indicative of future success.

Allocation of Management Resources. Although the Manager has agreed under the terms of the Operating Agreement to devote sufficient time (in their discretion) to the business and affairs of the Manager, the

Fund, the Portfolio Company Securities, their other respective business commitments, any parallel fund and any subsequent fund, conflicts may arise in the allocation of management resources.

Other Investment Funds. The Manager or the Managers may create and manage other investment funds that have similar investment strategies and objectives. Such activities would require the time and attention of the Manager. Any such new investment fund created by the Manager may focus on the same investments as those on which the Fund anticipates focusing and may compete with the Fund for investment opportunities. In such event, the Manager, in its sole discretion, shall allocate such opportunities between the Fund and such other funds on a basis the Manager believes, in good faith, to be fair and reasonable. Such funds also may compete with the Fund for Capital Commitments from potential Subscribers. In such situations, the interests of the Manager may conflict with the interests of the Fund, the Subscribers or both. The Manager and any investment manager of both the Fund and such fund would owe a fiduciary duty to the Fund and such fund.

Investments by Manager in Portfolio Companies. The Manager or its affiliates may hold an interest in a Portfolio Company including, but not limited to, a direct investment in such Portfolio Company. Holding such interest would require the time and attention of the Manager or its affiliates. In such situations, the interests of the Manager or its affiliates may conflict with the interests of the Fund, the Subscribers, or both.

Conflicts of Interest. The Fund is subject to various conflicts of interest arising out of its relationship with the Manager and its respective affiliates. None of the agreements and arrangements between the Fund and such parties, including the compensation payable by the Fund to the Manager (or other entity designated by the Manager), are the result of arm's-length negotiations. Members ultimately will be heavily dependent upon the good faith of the Manager. This Memorandum does not purport to identify all conflicts of interest. The Fund, from time to time, may enter into other transactions not specifically described in this Memorandum with affiliates, officers, managers, members, employees, agents, and representatives of the Manager or the Managers. The Fund will not make loans to or investments in the Manager or its affiliates and will not sell securities to the Manager other than Interests on the terms described herein. In addition, the Manager will not borrow from the Fund and will not use the Fund's funds as compensating balances for its own benefit or commingle such funds with the funds of any other person.

Risks Associated With Indirect Purchases of Portfolio Companies. In some instances, restrictions established by Portfolio Companies with respect to ownership of their shares may limit the number and place minimum investment restrictions for investors on their capitalization tables. In such instances where the Fund seeks to obtain a stake in a Portfolio Company with such restrictions, the Manager may acquire those shares indirectly through an entity that currently owns a stake in the Portfolio Company. Such a process involves additional costs and/or fees and risks. Such risks are not dissimilar to the risks of the Fund, and may include, but are not limited to illiquidity risks and restrictions on transfer, tax withholdings and K-1 tax reporting, limited partner status and lack of control risk, dilution risks, and Delaware Series LLC risks. Managers of those entities may not be fiduciaries to the entity and may have other funds and or holdings that conflict with their role as manager and/or general partner of the entity in which the Fund invests.

ERISA Considerations. Each prospective investor is urged to consult with its own legal counsel regarding ERISA matters. Without limitation, a prospective investor that is a fiduciary under ERISA should carefully consider whether an investment in the Fund would be consistent with its fiduciary duties. It is not expected that the Fund will qualify as a venture capital operating company ("***VCOC***") within the meaning of ERISA. Among other consequences, this will cause the Manager to limit the percentage of Subscriber interests that may be held by "benefit plan investors" or entities regulated under ERISA and may make it impracticable for a Subscriber to transfer its interest in the Fund to such an entity. Investors that are employee benefit plans should read Section VII of this Memorandum for additional ERISA considerations.

Admission of Additional Members. Manager intends to hold multiple "rolling" Closings in order to admit additional Members to the Fund (an "***Additional Member***") or to accept increased capital commitments from existing Members of the Fund (an "***Additional Commitment Member***"), until such time as the Manager determines the Fund is closed. In order to compensate early investors in the Fund for increased risk exposure and/or increase in value of the Fund, the Manager may establish an early/late investor cut-off date (the "***Late Investment Date***"). The Late Investment Date, if so established by Manager, will be arbitrarily determined. Additional Members and Additional Commitment Members subscribing after the Late Investment Date may be required to contribute to the Fund, in addition to the percentage of its Total Commitment or increased commitment amount, an additional amount (the "***Additional Amount***") equal to simple interest at the Prime Rate (as measured by the Wall Street Journal Prime Rate of Interest) plus 2%, on the Additional Member or Additional Commitment Member Total Commitment or increased commitment amount, from the date of the Fund's Initial Closing to the date on which such Additional Member or Additional Commitment Member's funds are called by the Manager.

Such Additional Amount shall not be treated as a capital contribution or reduce the capital commitment of the Member. The amount contributed by each Additional Member or Additional Commitment Member (other than amounts attributable to Management Fee(s) and any interest thereon, which will be paid over to the Manager) will be distributed by the Manager to the early investors in accordance with percentage interests held in the Fund as of the Late Investment Date.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING.

VII. CONSIDERATIONS FOR ERISA PLANS AND INDIVIDUAL RETIREMENT PLANS

*THE FOLLOWING SUMMARY OF CERTAIN ASPECTS OF ERISA AND OTHER LAW IS BASED ON ERISA, THE CODE, JUDICIAL DECISIONS AND TAX AND DEPARTMENT OF LABOR ("**DOL**") REGULATIONS AND RULINGS IN EXISTENCE ON THE DATE HEREOF. THIS SUMMARY IS GENERAL IN NATURE AND DOES NOT ADDRESS EVERY ERISA OR OTHER ISSUE THAT MAY BE APPLICABLE TO THE FUND OR A PARTICULAR INVESTOR. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN COUNSEL IN ORDER TO UNDERSTAND THE ERISA AND OTHER ISSUES AFFECTING THE FUND AND THE INVESTOR.*

ERISA governs the investment of assets of ERISA Plans that may be investors, directly or indirectly, in the Fund. ERISA, the Regulations under ERISA issued by the DOL and opinions and other authority issued by the DOL and the courts provide guidance that should be considered by fiduciaries of ERISA Plans prior to investing in the Fund.

The following discussion of certain ERISA considerations is based on statutory authority and judicial and administrative interpretations as of the date hereof and is designed only to provide a general understanding of the basic issues. Accordingly, this discussion should not be considered legal advice and the trustees and other fiduciaries of each ERISA Plan are encouraged to consult their own legal advisors on these matters.

Fiduciary Duty of Investing Plans. In considering an investment in the Fund, plan fiduciaries should consider their basic fiduciary duties under ERISA Section 404, which requires them to discharge their investment duties prudently, solely in the interest of the plan participants and beneficiaries and for the exclusive purpose of providing benefits to the plan participants and beneficiaries and defraying reasonable administrative expenses of the relevant plan. Plan fiduciaries must give appropriate consideration to the role that an investment in the Fund would play in the plan's investment portfolio. In analyzing the prudence of an investment in the Fund, the DOL's Regulation on investment duties should be considered (29 C.F.R. § 2550.404a-1).

Plan Assets. ERISA and the Regulation issued by the DOL at 29 C.F.R. § 2510.3-101, as modified or deemed to be modified by ERISA (the "***Plan Assets Regulation***"), define the term "***Plan Assets***" as applied to entities in which a plan invests, directly or indirectly, such as the Fund. The Plan Assets Regulation provides that when an ERISA Plan acquires an equity interest in an entity, and such equity interest is neither a publicly offered security nor a security issued by an investment company registered under the Investment Company Act, the assets of the ERISA Plan include not only the equity interest, but also include an undivided interest in the underlying assets of the entity, unless an exception to this general rule applies.

Exceptions Under the Plan Assets Regulation. The Plan Assets Regulation provides several exceptions to the general rule of plan asset treatment. Pursuant to one (1) such exception, the assets of certain entities, such as the Fund, will not be treated as plan assets if the entity is operated as a VCOC within the meaning of the Plan Assets Regulation. Generally, for an entity to qualify as a VCOC, at least fifty percent (50%) of its assets (excluding short-term investments made pending long-term commitments or distribution to investors) valued at cost must be invested in (i) "*operating companies*" with respect to which the entity has the direct contractual right to participate substantially in, or to substantially influence the conduct of, the management of the operating company and the entity must actually exercise such management rights with respect to one (1) or more such operating companies in the ordinary course of its business; or (ii) "*derivative investments*" (as defined in the Plan Assets Regulation) (the "***Asset Test***"). For the purposes of qualifying as a VCOC, an "***operating company***" is defined as an entity that is primarily engaged, directly or through a majority owned subsidiary or subsidiaries, in the production or sale of a product or service other than the investment of capital, and includes a "***real estate operating company***" as defined in the Plan Assets Regulation (but does not include another VCOC). Determination as to whether an entity qualifies as a

VCOC is made at the time when the entity makes its first long-term investment (other than short-term investments made pending long-term commitments) and thereafter during a ninety (90) day annual valuation period each year, the first day of which shall begin no later than the anniversary of the entity's first long-term investment. In order for an entity to continue to qualify as a VCOC, the entity must meet the Asset Test on at least one (1) day during each such ninety (90) day annual valuation period. Special rules apply to any wind-up of a VCOC when it enters its "***distribution period***" as defined in the Plan Assets Regulation.

An additional exception applies when equity participation in the entity by benefit plan investors is not "***significant***." Equity participation in an entity by "***benefit plan investors***" (as defined in Section 3(42) of ERISA) is "***significant***" on any date if, immediately after the most recent acquisition or disposition of any equity interest in the entity, twenty-five percent (25%) or more of the value (in the aggregate) of any class of equity interests in the entity is held by "***benefit plan investors***." For purposes of the twenty-five percent (25%) test, the term "***benefit plan investors***" includes ERISA Plans, certain other retirement plans defined in and subject to Section 4975 of the Code (such as individual retirement accounts), and entities or accounts deemed to hold "***plan assets***" due to an investment in such entity or account by ERISA Plans or such other retirement plans (such as insurance company general accounts). For the purposes of calculating the twenty-five percent (25%) threshold under the Plan Assets Regulation, the value of any equity interest held by a person (other than a "***benefit plan investor***") who has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee (direct or indirect) with respect to such assets (or an affiliate of such person) is disregarded.

The Manager will use reasonable best efforts to conduct the affairs and operations of the Fund in such a manner so that the assets of the Fund will not be treated as "***plan assets***" of any ERISA Plan for purposes of ERISA. In particular, if and for so long as "***benefit plan investors***" hold twenty-five percent (25%) or more of the value (in the aggregate) of any class of equity interest in the Fund (as calculated and determined in accordance with Section 3(42) of ERISA), the Manager will use reasonable best efforts to manage the business and affairs of the Fund so that the Fund qualifies as a VCOC. Accordingly, the Fund is not expected to be deemed to be holding "***plan assets***" subject to ERISA at any time.

Reporting. Benefit plan investors may be required to report certain compensation paid by the Fund (or by third parties) to the Fund's service providers as "*reportable indirect compensation*" on Schedule C to the Form 5500 Annual Return (the "*Form 5500*"). To the extent any compensation arrangements described herein constitute reportable indirect compensation, any such descriptions are intended to satisfy the disclosure requirements for the alternative reporting option for "*eligible indirect compensation*," as defined for purposes of Schedule C to the Form 5500.

*Additional Information***.** ERISA and its accompanying Regulations are complex and, to a great extent, have not yet been interpreted by the courts or the administrative agencies. This discussion does not purport to constitute a thorough analysis of ERISA. Each prospective investor subject to ERISA should consult with its own legal counsel concerning the implications under ERISA of an investment in the Fund, and to confirm that such an investment will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement under ERISA.

"***Governmental plans***" and certain "***church plans***," while not subject to the fiduciary responsibility and prohibited transaction provisions of ERISA, may nevertheless be subject to state or other federal laws that are substantially similar to the foregoing provisions of ERISA. Decision-makers for any such plans should consult with their counsel before making an investment in the Fund.

VIII. PRIVACY POLICY

The Manager of the Fund collects nonpublic, personal data about Subscribers from (i) information it receives from Subscription Agreements; (ii) information disclosed to the Manager through conversations or correspondence; and (iii) any additional information the Manager may request from Subscribers. All information regarding the personal identity, account balance, financial status, and other financial information of Subscribers ("***personal information***") will be kept strictly confidential according to the Fund Manager's Privacy Policy (a copy of which has been provided as a separate document).

In the normal course of business, it is sometimes necessary for the Fund to provide personal information about Subscribers to the Manager, attorneys, accountants and auditors in furtherance of the Fund's business, and entities that provide a service on behalf of the Fund, such as banks or title companies. The Manager will only disclose personal information to these third parties if such parties agree to protect the personal information and use the personal information only for the purposes of providing services to the Fund.

Other than for the purposes discussed above, the Fund does not disclose any nonpublic, personal information of its Subscribers unless the Fund is directed by the Subscriber to provide it or the Fund is legally required to provide it to a governmental agency. Notwithstanding the foregoing, the Fund may disclose personal information to the Manager, which may use such information in connection with any explanation of services rendered to professional organizations to which the Manager or its affiliated persons belong.

IX. SUBSCRIPTION PROCEDURES

To subscribe for Interests, a subscriber must complete in full, execute, and deliver to the Fund a fully completed, dated and signed Subscription Agreement, together with (i) exhibits thereto; and (ii) any other documents requested by the Manager for the purpose of satisfying the Manager's due diligence obligations. Any Subscription Agreement that is submitted to the Fund without all applicable submissions (or submissions otherwise contains incomplete information) will not be processed by the Fund until submitted by the subscriber. Such delay could result in a subscriber not being admitted to the Fund until a Subsequent Closing.

The Manager may accept or reject any subscription in whole or in part, in its sole discretion, for any reason whatsoever and to withdraw the Offering at any time. In the event the Manager refuses to accept a subscriber's subscription, any subscription funds received will be returned without interest.

In connection with completing the Subscription Procedures described above, each prospective Subscriber shall deposit their Subscription Amount into an escrow account set up by the Manager (the "***Account***"). A copy of the Escrow Agreement has been provided as a separate attachment. Execution by a subscriber of the Subscription Agreement shall constitute its acceptance of the terms of the Escrow Agreement.

Any subscription documents signed and submitted prior to December 31, 2017 may be rescinded by Subscriber provided notification is given by 5:00 PM (CST) on the first business day of 2018; January 2, 2018. After the close of business (5:00 PM CST) on January 2, 2018, all subscription documents signed and submitted by Investors become irrevocable.

For all investors that submit signed subscription documents beginning January 1, 2018, the above clause shall not apply and subscriptions are irrevocable upon submission.

****For Foreign Investors:*** In order to allow the Fund to comply with anti-money laundering laws and other laws prohibiting the funding of terrorist activities, the Manager will obtain, verify, and record information regarding each foreign Subscriber to the Fund. Foreign investors should inquire of the Manager for a complete list of identifying information that may be required of them, which may be additional to the information required of U.S. investors. Foreign investors may also be required to complete a supplemental questionnaire or subscription documentation. If an investor is unwilling or unable to provide all requested information, the Manager will deny the subscription of such investor.

Access to Information

Prospective investors are invited to contact the Manager using the Manager Contact Information provided herein to review any written materials or documents relating to the Offering or the Fund, including any financial information available concerning the Fund or the Manager. The Manager will answer all inquiries from prospective investors relative to the Offering and will provide additional information (to the extent that the Manager possesses such information or can acquire it without unreasonable effort or expense) necessary to verify the accuracy of any representations or information set forth in this Memorandum.

APPENDIX A

DEFINITIONS

"***Carry Percentage***" shall mean ten (10%) percent

"***Fund***" shall mean EWM Alternative Investments SPV, LLC – Series 4 – CBD

"***Term***" shall mean the ten (10) year anniversary of the Closing (the "***Ten Year Anniversary***").

"***Manager***" shall mean Endowment Wealth Management, Inc.

"***Manager Contact***" shall mean ROBERT L. RIEDL or PRATEEK MEHROTRA

"***Minimum Total Subscription Amount***" shall mean $100,000.

"***Fund Contact Information***"	EWM Alternative Investments SPV, LLC – Series 4 – CBD c/o Endowment Wealth Management, Inc. Tel: 920.785.6010 2200 North Richmond Street, Suite 200 Appleton, WI, 54911 Email: SPVs@EndowmentWM.com
"***Manager Contact Information***"	Robert L. Riedl or Prateek Mehrotra c/o Endowment Wealth Management, Inc. Tel: 920.785.6010 2200 North Richmond Street, Suite 200 Appleton, WI, 54911 Email: SPVs@EndowmentWM.com

APPENDIX B

APPION TWO RISK FACTORS

APPIAN TWO, LLC

Units of Membership Interest

August 1, 2017

Subscription Booklet

Endowment Wealth Management
PPM No. 323

INSTRUCTIONS

This Subscription Booklet relates to the offering of Units of Membership Interest (the "*Units*") in **Appian Two, LLC**, a recently formed Delaware limited liability company (the "*Investment Entity*"). The Investment Entity intends to make one or more investments in each of Constance Therapeutics, Inc., a Delaware corporation ("*Constance Therapeutics*"), and Ondello Inc., a Delaware corporation doing business as "HelloMD" ("*HelloMD*," and with Constance Therapeutics, the "*Targets*"). While the Investment Entity currently anticipates investing in the Targets on a pro rata basis, the Investment Entity maintains discretion to alter that at any time.

This Subscription Booklet contains the materials necessary for you to become a member of the Investment Entity:

Part A – Overview of Targets
Part B – Summary of Terms of Investments in Targets
Part C – Summary of Terms of Investment in Investment Entity
Part D – Risk Factors
Part E – Subscription Agreement
Part F – Investor Questionnaire
Part G – Acknowledgments and Offering Legends
Part H – Investment Entity Operating Agreement
Part I – Attestation to Receipt and Review of Target Investment Disclosures
Part J – Global Signature Page

Each investor should read the materials included in this booklet, including the risk factors contained herein. Each investor should also carefully read and consider the Confidential Investment Disclosures for each of the Targets (the "*Target Disclosures*"), provided separately from this Subscription Booklet and attest to the receipt and review of such Target Disclosures in Part I.

Each investor should then complete the appropriate portions of the Investor Questionnaire and execute the Global Signature Page contained in Part J at the end of this Subscription Booklet. The instructions to the Investor Questionnaire will inform you of the parts thereof that you are required to complete.

Please return the entire Subscription Booklet, the executed Global Signature Page and any additional required documents described in the Investor Questionnaire to the Investment Entity at the address indicated below.

Please send all executed documents to:

Appian Two, LLC
℅ J. Patrick Barry
300 S. Wacker, Suite 2750
Chicago, IL 60606

The Investment Entity does not intend to register the Units under the United States Securities Act of 1933, as amended from time to time (the "*Securities Act*"), but rather intends to offer and sell the Units pursuant to an exemption from registration thereunder that limits the types of investors

that may be permitted to acquire the Units. Part F-II (for individuals) and Part F-III (for entities) of the Investor Questionnaire are designed to determine whether a subscriber of Units (each, a "*Subscriber*") is a permissible investor.

PART A

OVERVIEW OF TARGETS

SUMMARY

Appian Two, LLC (the "*Investment Entity*") has been recently formed to purchase preferred stock issued by each of Constance Therapeutics and HelloMD (the "*Targets*"). The Targets each participate in the growing medical cannabis industry, as more fully described herein.

Constance Therapeutics is a vertically integrated medicinal cannabis company producing standardized and science-based whole-plant cannabis extracts in California, and serves national and international patients who visit California to seek cannabis based solutions for serious cancers, auto-immune disorders, and other diseases and conditions.

HelloMD attempts to provide a complete solution for the medical cannabis market, starting with a doctor's consultation over Telehealth, to product selection and advice, community advice and purchase / delivery options from hundreds of licensed retailers and brand partners in the state of California.

The medical cannabis market is a volatile and burgeoning industry, with medical cannabis now legal in twenty-nine states and Washington DC. Between 2010 and 2015, the medical cannabis industry grew at an annual rate of 30.2% per year. There is enormous potential for growth as states continue to legalize medical cannabis use and add medical conditions that qualify patients for a prescription for medical cannabis. In states with legal medical cannabis, there is an estimated average of 7.7 patients per 1000 residents. In 2013, healthcare related expenditures represented 17.4% of GDP. By 2022, healthcare is expected to reach 20% of GDP. Meanwhile, there is an artificially limited supply of medical cannabis facilities, and related services and service providers, with significant regulatory barriers, which limit or freeze the opening of new facilities and significantly hinder the development of related services.

The Investment Entity believes that general commercial investors see the oncoming legislative shift in the U.S. as well as the massive success of medical cannabis programs in a variety of states including California, resulting in billions of new dollars pursuing investments in cannabis facilities. These investors will have a potentially limited number of investments to choose from, as current state laws limit licensure opportunities, making existing providers more valuable.

STRATEGY

During Constance Therapeutics' first 5 years of operation, all patients were physician referred. While Constance Therapeutics continues to work with many referring physicians, many patients now come directly to seek product, and they have served over 3,000 patients since their inception. Their cannabis extracts are available exclusively for therapeutic use and can only be purchased by registered California patients. Constance Therapeutics patients are given access to experienced cannabis coaches and receive comprehensive patient support. Constance Therapeutics intends to grow their business in California and other emerging markets by expanding their product and research focus, in collaboration with best of class licensing and distribution partners. Their

patent-pending process and compositions were originally filed in 2015, and they expect full resolution no later than Q2 2018. Once approved, these will offer Constance Therapeutics protections for current and future formulations and product releases.

HelloMD is committed to building a large community of cannabis consumers online. This includes members of the medical community (doctors and nurses), retailers, brand manufacturers, consultants and others. HelloMD has already achieved a degree of critical mass within the state of California with 130,000 registered users and over 400 retail and brand partners. HelloMD continues to see strong growth in all sectors of the community, and anticipates that over time their community will number in the millions, with thousands of business partners across the country participating. Their strategy of user-generated content has created 15,000 pages of unique content including valuable questions and answers, and is increasing traffic to HelloMD's website by up to 15% per month. As their community continues to grow, they intend to diversify the services offered to customers and business partners, creating new revenue opportunities for HelloMD from advertising services, and through the facilitation of e-commerce facilities for both partners and customers. HelloMD anticipates charging doctors for advertising placement, or directly booking patient consultations on their behalf as they currently do in California. Their e-commerce capabilities will provide customers with the ability to (1) find the appropriate cannabis products for their health & wellness and (2) identify purchase options from multiple sellers in the marketplace and (3) make a purchase for fulfillment by one of the participating licensed retailers.

OVERVIEW OF VARIOUS REGULATIONS TO WHICH TARGET IS SUBJECT

The Targets will be subject to ongoing Federal and State regulation. Both Targets believe that ongoing cooperation between U.S. Federal and State governmental authorities in relation to medical cannabis is important and essential to success of their respective businesses. For more on the applicable regulations, please review the respective Target Disclosures.

TARGET DISCLOSURES

This discussion is qualified in its entirety by the respective Target Disclosures. Each of the Target Disclosures include overviews of applicable State and Federal law. Each investor is encouraged to review and consult with its attorneys and advisors regarding its consequences. Subscribers should carefully review the respective Target Disclosures prior to making their investment in the Investment Entity.

PART B

SUMMARY OF TERMS OF INVESTMENT IN CONSTANCE THERAPEUTICS, INC.

(This is a summary only. Terms are subject in all respects to the terms of the Target's Confidential Investment Disclosure and Certificate of Incorporation.)

Company:	The offering will be made by Constance Therapeutics, Inc., a Delaware corporation.
Instrument:	Series B Convertible Preferred Stock, par value $0.00001 per share, (the "*Series B Preferred Stock*") of Constance Therapeutics, Inc.
Total Offering:	$3,600,000 Includes $3,500,000 of new cash investments and the conversion of $100,000 of promissory notes. In addition, if the holders of the Series A Preferred exercise their preemptive rights, Constance Therapeutics will take all actions necessary to increase the Offering by a corresponding amount.
Shares to be Offered:	1,522,914 shares of Series B Preferred Stock to be offered.
Price Per Share:	$2.3639 per share (the "*Original Purchase Price*"). The Original Purchase Price is based on Constance Therapeutics' current capital structure as set forth in the Target's Confidential Investment Disclosure.
Pre-Money Valuation:	The Original Purchase Price is based upon a fully-diluted pre-money valuation of $25,000,000. For purposes of the pre-money valuation, "fully-diluted" shall include all outstanding Common Stock, preferred stock (on as converted to Common Stock basis) and options (whether issued or unissued, including any options to be authorized as a result of this transaction), warrants and other convertible securities to purchase Common Stock, all as if fully exercised and converted.
Investor:	Offering to be made to Appian Two, LLC (the "*Potential Investor*").
Restated Certificate:	Constance Therapeutics' Certificate of Incorporation, as previously amended and restated, will be further amended and restated (the "*Restated Certificate*") to reflect, among other things, the creation of the Series B Preferred Stock and the specification of the rights, preferences and privileges associated therewith.
Closing:	The initial closing of the transaction will occur promptly after the Potential Investor has notified Constance Therapeutics that it is prepared to tender a subscription for at least $500,000, which is expected to occur on or before August 11, 2017 (the "*Initial Closing*"). Thereafter, Constance Therapeutics will sell additional

shares of the Series B Preferred Stock to the Potential Investor, up to the maximum amount authorized above, in one or more additional closings for 120 days following the Initial Closing. The term "*Closing*" shall apply to each such closing unless specified otherwise.

Ranking:	The Series B Preferred Stock will be senior to Constance Therapeutics' Common Stock and pari passu with Series A Preferred Stock for purposes of dividends and liquidation.
Dividends:	Dividends will be paid on the Series B Preferred Stock and any Series A Preferred Stock on as-converted basis when, and if paid on the Common Stock. As of this Term Sheet, no dividends have been declared for any shares of Constance Therapeutics' Common Stock or Series A Preferred Stock.
Liquidation:	In the event of any liquidation, dissolution or winding up, the proceeds shall be used to first pay the Original Purchase Price, plus any declared and unpaid dividends, on each share of Series B Preferred Stock; thereafter, the Series B Preferred Stock shall participate with the Common Stock pro rata on an as-converted basis. Any payment for a Liquidation Event (as defined in the Restated Certificate) will be treated ratably, with the Series B Preferred Stock and Series A Preferred Stock treated as equivalent to the number of shares of Common Stock into which each is convertible (as defined below)**.** A merger or consolidation (other than one in which stockholders of Constance Therapeutics own a majority by voting power of the outstanding shares of the surviving or acquiring corporation) and a sale, lease, transfer, exclusive license or other disposition of all or substantially all of the assets of Constance Therapeutics will be treated as a liquidation event (a "*Deemed Liquidation Event*"), thereby triggering payment of the liquidation preferences described above
Voting Rights:	The Series B Preferred Stock will vote together with the Common Stock on an as-converted basis, and not as a separate class, except (i) the Series B Preferred Stock as a class shall be entitled to elect one (1) member of the Board (the "*Series B Director*"), (ii) as provided under "Protective Provisions" below or (iii) as required by law. With respect to the Series B Director, Constance Therapeutics will appoint J. Patrick Barry to serve in such capacity upon the Closing of a minimum of $2,000,000 in aggregate subscriptions (so long as the majority of the proceeds tendered in all Closings come from investors other than "friends and family" of Constance Therapeutics' CEO, as reasonably determined by Constance Therapeutics and the Potential Investor immediately prior to any applicable Closing). The

	minimum threshold will be waivable in Constance Therapeutics' sole discretion.
Protective Provisions:	So long as at least 200,000 shares of Series B Preferred Stock are outstanding, Constance Therapeutics will not, without the written consent of the holders of at least a majority of Constance Therapeutics' Series B Preferred Stock, either directly or by amendment, merger, consolidation, or otherwise: (i) liquidate, dissolve or wind-up the affairs of Constance Therapeutics, or effect any Deemed Liquidation Event; (ii) amend, alter, or repeal any provision of the Certificate of Incorporation or Bylaws in a manner adverse to the Series B Preferred Stock; (iii) create or authorize the creation of or issue any other security convertible into or exercisable for any equity security, having rights, preferences or privileges senior to or on parity with the Series B Preferred Stock, or increase the authorized number of shares of Series B Preferred Stock; (iv) purchase or redeem or pay any dividend on any capital stock prior to the Series B Preferred Stock, other than stock repurchased from former employees or consultants in connection with the cessation of their employment/services, at the lower of fair market value or cost.
Preemptive Rights:	Each holder of Series A Preferred Stock and/or Series B Preferred Stock will have a ten (10) day right of first refusal to purchase on an all or none basis its pro-rata portion (based upon number of equity securities owned by the stockholder in relation to the total number of Constance Therapeutics' equity securities then outstanding determined on a fully diluted basis) of any additional securities issued by Constance Therapeutics. Each holder of Series A Preferred Stock and/or Series B Preferred Stock will also have, on three (3) business days' notice, an overallotment right to purchase any portion of the shares not purchased by other holders of Series A Preferred Stock and/or Series B Preferred Stock pursuant to their preemptive rights. The foregoing preemptive rights shall not apply to share issuances of Common Stock pursuant to exercise of employee options, grants of shares to employees, exercise of outstanding warrants and exercise of conversion rights under currently outstanding convertible notes and other customarily exclusions. The foregoing preemptive rights will terminate upon the closing of a Qualified Public Offering (as defined below).
Optional Conversion:	The Series B Preferred Stock will be convertible into Common Stock at any time at the option of the holder. The conversion ratio will be one-for-one, subject to adjustments for stock dividends, splits, combinations and similar events and as described below under "Anti-dilution Provisions."
Automatic Conversion:	The Series B Preferred Stock will automatically convert into Common Stock at the then applicable conversion rate (a) upon the

	closing of an underwritten public offering of securities by Constance Therapeutics with aggregate proceeds of at least $20,000,000 and at a price of at least 2.5x the Original Purchase Price (a "*Qualified Public Offering*"), (b) upon the vote of the holders of more than 2/3 of the Series B Preferred Stock to so convert or (c) when more than 2/3 of the Series B Preferred Stock outstanding immediately following the Closing has been converted into Common Stock.
Right of First Refusal/ Right of Co-Sale (Take-Me-Along):	Constance Therapeutics first and Investors second (to the extent assigned by the Board of Directors) will have a right of first refusal with respect to any shares of capital stock of Constance Therapeutics proposed to be transferred by founders and future employees holding greater than 1% of the Common Stock (assuming conversion of Preferred Stock and whether then held or subject to the exercise of options), with a right of oversubscription for Investors of shares unsubscribed by the other Investors. Before any such person may sell Common Stock, he will give the Investors an opportunity to participate in such sale on a basis proportionate to the amount of securities held by the seller and those held by the participating Investors. The right of first refusal will terminate upon the closing of a Qualified Public Offering. Notice periods shall be equivalent to those provided for under Preemptive Rights.
Use of Proceeds:	Proceeds of the offering shall be used for expansion of Constance Therapeutics, which will include investment in infrastructure for the expansion of the business, hiring additional personnel, and general working capital purposes.
Registration Rights:	All shares of Common Stock issuable upon conversion of the Series B Preferred Stock will be deemed "Registrable Securities."
Piggyback Registration:	The holders of Registrable Securities will be entitled to "piggyback" registration rights on all registration statements of Constance Therapeutics, subject to the right, however, of Constance Therapeutics and its underwriters to reduce the number of shares proposed to be registered to a minimum of 20% on a pro rata basis and to complete reduction on an IPO at the underwriter's discretion. In all events, the shares to be registered by holders of Registrable Securities will be reduced only after all other stockholders' shares are reduced.

PART B

SUMMARY OF TERMS OF INVESTMENT IN ONDELLO, INC. ("*HELLOMD*")

(This is a summary only. Terms are subject in all respects to the terms of the Target's Confidential Investment Disclosure and Certification of Incorporation.)

Company:	The offering will be made by Ondello Inc., a Delaware corporation.
Instrument:	Series A Preferred Stock, (the "*Series A Preferred Stock*") of Ondello Inc.
Total Offering:	Up to $3,000,000, which may be increased to $4,000,000 based upon demand.
Shares to be Offered:	3,325,789 shares of Series A Preferred Stock to be offered.
Price Per Share:	$1.05238167 per share (the "*Original Issue Price*"). The Original Issue Price is based on HelloMD's current capital structure as set forth in the Target's Confidential Investment Disclosure.
Pre-Money Valuation:	The Original Issue Price is based upon a fully-diluted pre-money valuation of $15,000,000.
Investor:	Offering to be made to Appian Two, LLC (the "*Potential Investor*").
Restated Certificate:	HelloMD's Certificate of Incorporation, as previously amended and restated, will be further amended and restated (the "*Restated Certificate*") to reflect, among other things, the creation of the Series A Preferred Stock and the specification of the rights, preferences and privileges associated therewith.
Closing:	The initial closing of the transaction will occur promptly after the Potential Investor has notified HelloMD that it is prepared to tender a subscription for at least $500,000, which is expected to occur on or before August 11, 2017 (the "*Initial Closing*"). Thereafter, HelloMD will sell additional shares of the Series A Preferred Stock to the Potential Investor, up to the maximum amount authorized above, in one or more additional closings for 120days following the Initial Closing. The term "*Closing*" shall apply to each such closing unless specified otherwise.
Ranking:	The Series A Preferred Stock will be senior to the HelloMD's Common Stock for purposes of liquidation and pari passu with HelloMD's Common Stock for purposes of dividends.
Dividends:	The Series A Preferred Stock is entitled to receive dividends pari passu with holders of Common Stock, as may be declared from time to time by the board of directors out of legally available

	funds. HelloMD has never declared or paid cash dividends on any of its capital stock and currently does not anticipate paying any cash dividends after this offering or in the foreseeable future.
Liquidation:	The Series A Preferred Stock will be entitled to receive the greater of the Original Issue Price, plus any dividends declared but unpaid or such amounts that they would have received had all shares of preferred shares been converted to common shares. The Series A Preferred Stock will receive these distributions before any holders of Common Stock.
Voting Rights:	The Series A Preferred Stock will vote together with the Common Stock on an as-converted basis, and not as a separate class, except (i) the Series A Preferred Stock as a class shall be entitled to elect one (1) member of the Board (the "*Series A Director*"), (ii) as provided under "Protective Provisions" below or (iii) as required by law. With respect to the Series A Director, HelloMD will appoint J. Patrick Barry to serve in such capacity upon the Closing of a minimum of $1,000,000 in aggregate subscriptions. The minimum threshold will be waivable in HelloMD's sole discretion.
Protective Provisions:	HelloMD will not, without the approval of the holders of at least a majority of the Series A Preferred Stock, either directly or by amendment, merger, consolidation, or otherwise: (i) alter the rights, powers or privileges of the Series A Preferred Stock in a way that adversely affects the Series A Preferred Stock; (ii) increase or decrease the authorized number of shares of any class or series of capital stock; (iii) authorize or create (by reclassification or otherwise) any new class or series of capital stock having rights, powers, or privileges set forth in the certificate of incorporation, as then in effect, that are senior to or on a parity with any series of preferred stock; (iv) redeem or repurchase any shares of common stock or preferred stock (other than pursuant to employee or consultant agreements giving the company the right to repurchase shares upon the termination of services pursuant to the terms of the applicable agreement); (v) declare or pay any dividend or otherwise make a distribution to holders of preferred stock or common stock; (vi) increase or decrease the number of directors; or (vii) liquidate, dissolve, or wind-up the business and affairs of the company, effect any deemed liquidation event, or consent, agree or commit to do any of the foregoing without conditioning such consent, agreement or commitment upon obtaining approval of the holders of Series A Preferred Stock.
Preemptive Rights:	The Potential Investor will have the right of first refusal to purchase its pro rata share of HelloMD's future securities issuances.

Conversion:	The Series A Preferred Stock is convertible into one share of Common Stock (subject to proportional adjustments for stock splits, stock dividends and the like) at any time at the option of the holder.
Automatic Conversion:	The Series A Preferred Stock will automatically convert into Common Stock at the then applicable conversion rate (a) upon the closing of a firm-commitment underwritten public offering of securities by HelloMD, or (b) upon the vote of the holders of a majority of the Series A Preferred Stock to so convert.
Use of Proceeds:	Proceeds of the offering shall be used for general working capital purposes, as more specifically addressed in the Target's Confidential Investment Disclosure.
Registration and Other Rights:	If HelloMD's next financing the company undertakes provides for more favorable provisions (e.g., registration rights, rights of co-sale, etc.), holders of Series A Preferred Stock will be entitled to substantially similar provisions.

PART C

SUMMARY OF TERMS OF INVESTMENT IN APPIAN TWO, LLC

(This is a summary only. Terms are subject in all respects to the terms of the Investment Entity's Operating Agreement.)

The Investment Entity:	Appian Two, LLC, a Delaware limited liability company (the "*Investment Entity*").
Manager; Principals:	The Investment Entity will be managed by a Manager, who shall be Appian Fund Management Company, LLC, a Delaware limited liability company (the "*Manager*"). The initial principals shall be J. Patrick Barry, James Flanigan and John Wagner (each, a "*Principal*" and collectively, the "*Principals*").
Offering:	Up to $7,500,000 of Series A Preferred Units ("*Units*"). The minimum investment per investor in the Units is $100,000, although the Manager may accept lower amounts in his sole discretion.
Per Unit Purchase Price:	$1,000 per Unit. The purchase price for all purchased Units will be fully paid as of the date of subscription by the purchasing Member.
Final Closing Date:	Investment Entity Units shall be available for purchase until November 30, 2017, unless extended by the Manager. The Manager may hold one or more closings after the initial closing. The Investment Entity will not hold an initial closing until it has commitments of at least $1,000,000.
Use of Proceeds:	The Investment Entity shall use the proceeds of the Unit offering to purchase preferred stock issued by the Targets and to pay organizational offering, governance, and operational expenses of the Investment Entity (including without limit, the Due Diligence Fee). While the Investment Entity currently anticipates investing in the Targets on a pro rata basis, the Investment Entity maintains discretion to alter that at any time. For additional information regarding the terms of the preferred stock for each of the Targets, consult Part B (Summary of Terms of Investments in Targets) and Part I (Target Investment Disclosures).
Members and Principals:	The Investment Entity will be owned by purchasers of Units (each a "*Member*" and collectively, the "*Members*"), including the Principals. Members who are not the Principals or affiliates of the Manager or the Principals (collectively, "*Manager Affiliates*") shall be referred to as "*Non-Affiliated Members*".
Distributions:	The Manager may make distributions from time to time in its sole discretion, which distributions shall be apportioned among the Members (including the Principals and Manager Affiliates) in

proportion to their respective capital contributions. The amounts so apportioned to the Principals and Manager Affiliates shall be distributions to such Principals and Manager Affiliates, and the amounts apportioned to each Non-Affiliated Member pursuant to the preceding sentence shall then be immediately reapportioned as between such Non-Affiliated Member on the one hand and the Manager on the other hand and distributed as follows:

(a) Return of Capital. First, 100% to such Members in proportion of their contributed capital until such Members have received aggregate distributions equal to their contributed capital;

(b) Preferred Return. Second, 100% to such Members in proportion to their contributed capital until such Members have received aggregate distributions equal to 15% per annum, compounded annually, on their unreturned contributed capital;

(c) Catch-Up. Third, 100% to the Manager as "catch-up" distribution when the Manager has recovered distributions equal to 20% of the total amount of distributions made pursuant to item (b) above and this item (c).

(d) Carried Interest. Thereafter, 80% to such Members in proportion to their contributed capital and 20% to the Manager as carried interest.

Tax Distributions: Subject to the availability of sufficient funds, the Manager will use commercially reasonable efforts to cause the Investment Entity to make tax distributions to the Members in respect of their presumed liability for income taxes with respect to income and gain derived through the Investment Entity. Tax distributions shall be deemed to be advances of future distributions to such Member.

Forced Withdrawal: Any Member of the Investment Entity may be forced to withdraw from the Investment Entity by the Manager if the Manager, in good faith, determines (i) it is unlawful for either of the Targets to carry on its business due to the Member being a member of the Investment Entity that invests in, or owns equity securities in either of the Targets; (ii) either of the Targets is unable to obtain or maintain a license due to the Member being a member of the Investment Entity, which license is reasonably necessary or convenient for either of the Targets to carry on its business, or (iii) the Member has participated in activities that are in violation of applicable law that would or reasonably could jeopardize the validity or continuing effectiveness of a material license or registration held by either of the Targets. Upon forced withdrawal, the Member will receive the lesser of (i) its full contributed capital minus any aggregate distributions already made to such Member and (ii) the fair market value at the time with withdrawal, as determined by an independent third party appraiser in each case subject to offset due to costs, penalties and consequences for a

material breach of the Operating Agreement as may be available at law or in equity.

Fees:	The Investment Entity shall reimburse the Manager the greater of $150,000 or 2% of the aggregate purchase price paid for Units (the "*Due Diligence Fee*") for costs and expenses incurred by the Manager related to the due diligence with respect to the Target. Additionally, the Investment Entity shall bear all expenses relating to this offering, not to exceed an amount up to 1% of the aggregate purchase price paid for Units (the "*Organizational Expenses*").
Principal Commitment:	The Principals intend to fund a commitment to the Investment Entity through the contribution of cash, waived Due Diligence Fees, waived Organizational Expenses or any combination thereof, at the option of the Principals. The commitment of the Principals and Manager Affiliates will not be subject to carried interest distributions.
Other Expenses:	The Investment Entity anticipates reserving the greater of $250,000 or 4% of the aggregate purchase price paid for Units to fund ongoing operational and governance expenses of the Investment Entity. The Investment Entity will be responsible for all ordinary administrative and overhead expenses, including legal, due diligence review, auditing, consulting and accounting expenses (including expenses associated with the preparation of the Investment Entity's financial statements, tax returns and K-1 Forms), meetings of the Members, travel, insurance, any direct expenses and an allocation for overhead expenses, and other expenses associated with the origination, acquisition, monitoring, holding and disposition of the investment, and any extraordinary expenses (such as litigation). The Investment Entity will retain (and not invest in Target) a portion of the aggregate capital contributions to fund such expenses. All litigation expenses shall be borne by the Investment Entity.
Operating Agreement:	The Investment Entity will be governed by an operating agreement (the "*Operating Agreement*"), which will contain the material terms of its ownership and governance. The execution of the global signature page in Part J below shall serve as the Member's execution of the Operating Agreement pursuant to the power of attorney in the Subscription Agreement in Part E hereof.
Indemnification:	The Investment Entity will indemnify, to the maximum extent permitted by law, the Principals, Manager and each of its directors, officers, managers, members, partners, employees, affiliates and assigns (including, without limitation members of an advisory board, if any) (the "*Indemnified Parties*") against liabilities, claims and related expenses including attorneys' fees, incurred by reason of any action performed or omitted in connection with the activities of the Investment Entity or in dealing with third parties on behalf of the Investment Entity if such action or decision not to act was taken in good faith, and provided that such action or decision not to act does not constitute gross negligence, intentional misconduct, a knowing violation of law or an intentional or material breach of the Operating Agreement.

Reports:	The Investment Entity will furnish each Member with relevant financial information of the Target and tax information necessary to complete any applicable tax returns.
Transfers and Withdrawals:	Members generally may not sell, pledge or transfer all or any portion of their interests in the Investment Entity without the prior written consent of the Manager, which may be given or withheld in its sole discretion. Members generally may not withdraw from the Investment Entity.
Leverage:	The Investment Entity does not intend to utilize debt; however, the Targets may utilize debt in various forms.
Amendments:	The Operating Agreement may be modified or amended at any time with both the approval of the Manager and the written consent of holders of majority in interest of the Members; provided that unless otherwise specifically contemplated by the Operating Agreement, no amendment to the Operating Agreement will, without the consent of each of the Members adversely affected thereby, increase the contribution of any Member, change any Member's interest in profits, losses, or distributions, or otherwise materially and adversely affect the rights and obligations of any Member in a different manner than all the other Members. Without the consent of any Member, however, the Manager may amend the Operating Agreement in certain limited respects as provided in the Operating Agreement.
Confidentiality:	The Members must keep confidential all matters relating to the Investment Entity, the Targets, the Principals and their affairs in accordance with the terms of the Operating Agreement, except as otherwise required by law or regulation.
Legal Counsel:	Ginsberg Jacobs LLC is legal counsel to the Investment Entity.

PART D
RISK FACTORS

Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the Units in the Investment Entity. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that either of the Targets or the Investment Entity will meet their operational or investment objectives. The Investment Entity's returns may be unpredictable and, accordingly, the Investment Entity's investment program is not suitable as the sole investment vehicle for an investor. An investor should only invest in the Investment Entity as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment.

TARGET RISKS

With respect to the risks of an investment in each of the Targets (made indirectly through an investment in the Investment Entity), prospective investors should carefully review and consider the risk factors described in the respective Target Disclosures provided with this Subscription Booklet.

RISKS ASSOCIATED WITH INVESTMENT IN THE INVESTMENT ENTITY

Potential Loss of Investment. Investors in the Investment Entity could lose part or all of their investment if the Targets are not successful in their respective business plans or suffer material economic or regulatory setbacks or if the Investment Entity suffers material dilution. There can be no guarantee that an investor will realize a reasonable return on the investment, or any return at all, or that the investor will not lose the entire investment.

Government Approvals and Licensing Requirements. As participants in the heavily-regulated medical cannabis industry, the Targets are regulated by state governmental authorities in the states in which they operate. Federal scheduling of cannabis as Schedule 1 drug is a barrier to the industry. Any change of this classification would be impactful to the company. Cannabis is classified as a Schedule 1 illegal substance by the Federal government.

Both Constance Therapeutics and HelloMD, are considered a marijuana-related business and are therefore affected by this classification, requiring them to operate in full compliance with all state and local laws, which vary from state to state. The federal government under the 'Cole Memo' has implemented a policy of not interfering with companies that operate within the laws of their local jurisdictions. As both Constance Therapeutics and HelloMD expand their businesses into multiple new states beyond California, they will need to ensure they continue to abide by all local laws as may be implemented from state to state. These regulations are complicated and dynamic, which imposes a legal cost of compliance upon the Targets. HelloMD is not required to obtain specific licensing for cannabis as they are a technology platform that does not directly come into contact with cannabis plants or products.

Cash Needs. The business plans of both Targets are based on several critical assumptions including timing of sales and the rate of purchase of the respective Target's products in the market place. In the event that revenues do not occur in a timely manner, the Targets will need to dramatically reduce costs, raise additional cash, or run out of cash. If the Targets are unable to

satisfy their respective cash needs, it could have a serious adverse effect on such Target's ability to survive.

Capital Requirements. There can be no guarantee that either of the Targets may not require additional funds, either through additional equity offerings or debt placements, in order to continue operating and to seek profitability. Such additional capital may result in dilution to the Target's respective stock holders or result in increased expenses and decreased returns to the Target's respective stock holders. Each of the Target's ability to meet short term and long term financial commitments may, in part, depend on the future cash flows generated from subsequent securities offerings and operations. There can be no assurance that future profits or subsequent securities offerings will generate enough funds to meet either Target's financial commitments.

Lack of Profit and Uncertain Profit Outlook. Neither Target can predict with certainty its short-term or long-term performance and profitability. Even if the Targets achieve profitability in the future, there is no guarantee that they will be able to maintain profitability in the future. Each of the Target's prospects must be considered in light of the risks, uncertainties, expenses and difficulties frequently encountered in this context.

Hiring and Retaining Qualified Personnel. To execute their respective growth plans, the Targets must attract and retain highly qualified personnel. Their success will depend upon their ability to retain key members of their management team and to hire new members as may be necessary. Competition for such personnel intense and they may not be successful in attracting and retaining qualified personnel. Each of the Targets may from time to time experience difficulty in hiring and retaining highly skilled employees with appropriate qualifications. In order to attract and retain personnel in a competitive marketplace, both Targets believe that they must provide a competitive compensation structure that may include cash and equity-based compensation, and their respective results of operations may from time to time adversely affect their ability to recruit or retain employees. If either of the Targets fails to attract new personnel or retain and motivate its current personnel, their respective businesses and future growth prospects could be severely harmed. No person should purchase any of the Units offered hereby unless such prospective investor is willing to rely upon each of the Target's management to develop and implement their respective business objectives, and such objectives and management may change over time, or not come to fruition.

The future success of each of the Targets depends in large part upon the continued service of key members of their respective senior management teams. Such persons are critical to the overall management, development and execution of their respective business plans.

Industry Growth. Both Target's depend on the growth of the legal medical cannabis cultivation and products industry for their future success. If such growth fails to occur, the businesses of each of the Targets would likely be significantly harmed. These markets are rapidly evolving, and it is difficult to predict their potential size or future growth rate. If these markets grow more slowly than expected, operating results could suffer.

Distribution Policy. The Investment Entity does not currently anticipate paying any cash distributions to its equity holders in the foreseeable future. Any payment of cash distributions will depend upon the financial condition, capital requirements and earnings of the Investment Entity, as well as other factors that the Investment Entity's Manager may deem relevant.

Restrictions on Transfer; No Market for Units; Liquidity. There is no public market for the Units and it is not expected that any public market will develop. In addition, certain federal and securities laws and the Operating Agreement impose significant restrictions on transfers of the Units. The sale of the Units has not been registered under the Securities Act of 1933, as amended (the "*1933 Act*"), or qualified under applicable state securities laws, and the Units may not be resold or otherwise transferred unless they are registered or qualified under such laws or exempt from such registration or qualification. Holders of the Units will have no right to require any such registration or qualification, and the Investment Entity has no present intention to register or qualify the Units. Consequently, holders of the Units may not be able to liquidate their investment in the event of an emergency or for any other reason (including termination of employment agreements). The Units are not transferable without the written consent of the Investment Entity.

Determination of Offering Price. The offering price for the Units was determined by the Manager and is not necessarily an indication of the value of the Units or of the Investment Entity. There is no assurance that any of the Units, even if transferable, could be sold for the offering price or for any other amount.

Limited Control of Targets. The Investment Entity will have very limited control over the activities of each of the Targets. The Targets could take actions that diminish the value of an investment in Investment Entity.

Dilution. Following the Investment Entity's initial closing, the Manager may become authorized to admit additional Members, subject to preemptive rights as described in the Operating Agreement. As a result, if a Member elects not to exercise its preemptive rights with respect to each offering or if a Member's preemptive rights do not apply to a given offering, the Member will be subject to dilution by later investors.

Conflicts of Interest. As set forth in the Operating Agreement, the Manager and its members will be permitted to manage other investment funds and similar vehicles during the Investment Entity's term. Provisions permitting the Manager's members to engage in investment, management or other activities outside, or alongside with, the Investment Entity, or to cause the Investment Entity to make investments in respect of which members of the Manager have conflicting interests, will override common law and statutory fiduciary duties that would apply in the absence of such provisions.

Exculpation and Indemnification. The Investment Entity's Operating Agreement contains provisions that relieve the Manager and its members and their affiliates of liability for certain improper acts or omissions. For example, the Manager and its members generally will not be liable to the Members for acts or omissions that constitute gross negligence. Under certain circumstances, the Investment Entity may even indemnify the Manager and its members against liability to third parties resulting from such improper acts or omissions, or breaches of fiduciary duties.

Taxation. Risks associated with United States tax matters are discussed under the heading "Certain United States Tax Considerations," which, although incomplete, prospective Members should read carefully. Prospective Members are urged to consult their own tax advisors with respect to their own tax situations and the effects of an investment in the Investment Entity. In particular, Members that are retirement plans or other tax exempt entities should consult their own tax advisors with respect to the tax and ERISA implications of their owning an interest in the Investment Entity.

Forward-Looking Statements. This Subscription Booklet and materials provided to investors may contain statements that are not historical facts but are forward-looking statements. These forward-looking statements are based on current expectations, beliefs, assumptions, estimates and projections about the industry and markets in which the Target expects to operate. Words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "estimate," variations of such words and other similar expressions identify such forward-looking statements. Such forward-looking statements, or other statements made for or on behalf of the Investment Entity or the Targets either orally or in writing from time to time, are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward- looking statements. These statements include, among other things, statements regarding the Investment Entity's intent, belief or expectations with respect to:

- the regulatory environment in which the Targets will operate;
- the target returns, internal rates of return and distributions to investors; and
- the markets in which the Targets plan to operate.

Investors should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond the Investment Entity's or either Target's control and may cause actual results, performance or achievements to differ materially from anticipated future results, or the performance or achievements expressed or implied by such forward-looking statements. While such forward-looking statements reflect the Investment Entity's or the Target's estimates and beliefs, they are not guaranties of future performance. The Investment Entity does not promise to update any forward-looking statements to reflect changes in the underlying assumptions or factors, new information, future events or other changes.

No Separate Legal Counsel. Documents relating to the Investment Entity and investments therein, including the Subscription Agreement to be completed by each Member, as well as the Investment Entity's Operating Agreement, will be detailed and often technical in nature. Legal counsel to the Investment Entity will represent the interests solely of the Principals and the Investment Entity, and will not represent the interest of any Members. Accordingly, each prospective Member is urged to consult with its own legal counsel before investing in the Investment Entity.

Reliance on Market Research. A substantial portion of the market research conducted for each of the Target's respective business plans is based upon published data. While the initial response has been positive, such information is highly subjective, and their independent statistics upon which to rely. While each of the Targets considers these indicators to be very favorable, management does not believe that there is definitive proof of the size of each Target's potential market.

Possible Law Changes. No assurance can be given that legislative, administrative or judicial changes will not occur that will alter, either prospectively or retroactively, the tax considerations or risk factors discussed in this Memorandum. Prospective investors should seek, and must rely on, the advice of their own tax advisers with respect to the possible impact on their investment of any future proposed tax legislation or administrative or judicial action.

Significant Product Development Expenses. The products that the Targets plan to offer still require significant development, and the nature of the products and business plans is that there will be a significant ongoing development needs. If the Targets do not generate sufficient profits, their respective businesses could be harmed. If it is necessary for either Target to raise additional funds to pay for further development through the issuance of debt or securities, the current equity holders could be diluted or otherwise have their value impaired.

CERTAIN UNITED STATES TAX CONSIDERATIONS

General. The following discussion summarizes certain United States Federal tax considerations and certain Native American tax considerations generally applicable to persons considering the acquisition of an interest in the Investment Entity. This discussion does not deal with all tax considerations that may be relevant to specific Members or classes of Members in light of their unique circumstances. No state, local or foreign tax considerations are addressed. ALL PERSONS CONSIDERING AN INVESTMENT IN THE INVESTMENT ENTITY ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE SPECIFIC UNITED STATES FEDERAL, NATIVE AMERICAN, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES TO THEM OF SUCH INVESTMENT.

Except where specifically addressing considerations applicable to tax-exempt or foreign investors, the discussion assumes that each Member is a United States citizen or resident individual, domestic corporation that is not tax-exempt, or foreign person whose interest is used or held for use in the conduct of a United States trade or business. The discussion is based upon existing law as contained in United States Federal statutes, regulations, administrative rulings and judicial decisions on the date of this Subscription Booklet. Future changes to the law may, on either a prospective or retroactive basis, give rise to materially different tax considerations. No rulings have been or will be requested from the United States Federal tax authorities that they will not successfully assert a position contrary to one or more of the legal conclusions discussed herein. Finally, the Investment Entity has not and will not obtain any opinion of legal counsel as to any of the tax issues affecting the Investment Entity or an investment therein.

Portions of the discussion address the ability of Members to utilize items of loss or deduction allocated to them by the Investment Entity. Potential Members: (x) are cautioned that the Investment Entity will not be operated for the purpose of generating items of tax loss, deduction or credit; and (y) should not anticipate that an investment in the Investment Entity will yield items of tax loss, deduction or credit that may be used to offset items of taxable income or gain from other sources.

Effect of Investment Entity Status. The Investment Entity, as a limited liability company, will be treated as a partnership for income tax purposes. Therefore, it will not be subject to Federal income tax. Instead, each Member will be required to report on such Member's Federal income tax return its allocated share of the Investment Entity's items of income, gain, loss and deduction substantially as if the items had been recognized directly by such Member. Accordingly, a Member generally will be required to pay tax on its share of the Investment Entity's net income or gain (and, in the case of capital gain, will be entitled to any available benefits of reduced capital gain rates) in the year recognized without regard to whether the Investment Entity makes a corresponding cash distribution. Except as described in the following paragraph, distributions (as opposed to allocations of taxable income or gain) received by a Member from the Investment Entity generally will not be subject to tax, but a Member selling appreciated securities distributed to it by the

Investment Entity generally will be required to include in such Member's income for Federal income tax purposes all of the appreciation in the value of such securities, including any such appreciation that accrued while the securities were held by the Investment Entity.

Based upon regulations issued by the Internal Revenue Service, it is expected that the Investment Entity will qualify as an "investment partnership" within the meaning of Section 731(c) of the United States Internal Revenue Code. If the Investment Entity does not so qualify, a Member that receives a distribution of marketable securities from the Investment Entity may be required to recognize taxable gain to the extent that the fair market value of the distributed securities exceeds the Member's tax basis in its interest.

Passive Activity Loss Rules. For purposes of the "passive activity loss rules" of the Internal Revenue Code, the activity of "trading personal property for the account of owners of interests in the activity" does not give rise to passive activity income or loss. Accordingly, a Member's ability to reduce its income for Federal income tax purposes by the Member's share of the fund's losses and deductions attributable to purchases and sales of portfolio company securities may not be limited by the passive activity loss rules (although such losses and deductions may be subject to other limitations including restrictions on the use of miscellaneous itemized deductions and capital losses).

Transfer of an Interest in the Investment Entity. The sale or exchange of an interest by a Member generally would result in the recognition of capital gain or loss equal to the difference between the Member's tax basis in the interest and the amount of consideration received, although a portion of such gain or loss may be re-characterized as ordinary income or loss to the extent attributable to the Member's indirect share of certain Investment Entity assets. Under regulations issued by the Internal Revenue Service, the "holding period" of a Member's interest (for purposes of determining whether any capital gain or loss recognized upon the sale or exchange of such interest is long-term or short-term) may be fragmented into multiple partial holding periods based, in part, on the timing of capital contributions made to, and distributions received from, the Investment Entity.

Tax-Exempt Investors. It is anticipated that the Investment Entity's income will consist principally, if not exclusively, of dividends and gains from the disposition of capital assets or other property not held for sale in the ordinary course of business. Ownership of an interest in the Investment Entity by a tax-exempt investor may give rise to "unrelated business taxable income" to such Member or impact the Member's eligibility for tax exemption. Tax- exempt Members such as retirement plans are strongly encouraged to consult with their own tax advisors prior to investing in the Investment Entity.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THE OFFERING OR WITH REGARD TO THE COMPANY, ITS BUSINESS OR THE SERIES A UNITS. PROSPECTIVE INVESTORS SHOULD READ THIS ENTIRE MEMORANDUM BEFORE DETERMINING WHETHER TO INVEST IN THE SERIES A UNITS.

PART E
SUBSCRIPTION AGREEMENT

Appian Two, LLC
% J. Patrick Barry
300 S. Wacker, Suite 2750
Chicago, IL 60606

1. The subscriber named on the signature page to this Subscription Agreement (the "*Subscriber*") hereby applies to become a member of Appian Two, LLC, a Delaware limited liability company (the "*Investment Entity*"), on the terms and conditions set forth in this Subscription Agreement, and the Operating Agreement of the Investment Entity (as amended from time to time, the "*Operating Agreement*"). A copy of the Operating Agreement is included in Part H of this Subscription Booklet. Capitalized terms used in this Subscription Agreement and not otherwise defined in this Subscription Agreement shall have the meanings assigned to them in the Operating Agreement.

2. (a) The Subscriber hereby irrevocably subscribes for Units of the Investment Entity ("*Units*") as provided in the global signature page below. The Subscriber understands that it is not entitled to cancel, terminate or revoke this subscription or any agreements of the Subscriber hereunder.

(b) The Subscriber acknowledges and agrees that it shall be obligated to pay the per Unit price (the "*Purchase Price*") on the issue date as provided in the global signature page below.

3. The Subscriber agrees to furnish to the Investment Entity all information that the Investment Entity has requested in this Subscription Agreement (and in the Investor Questionnaire attached hereto and forming a part of this Subscription Agreement), or may hereafter reasonably require, in order (i) to comply with any laws, rules or regulations applicable to the Investment Entity, (ii) to determine whether or not the Subscriber is, or shall be on the issue date, an "accredited investor" as defined in Regulation D, promulgated under the Securities Act of 1933, a s amended from time to time (the "*Securities Act*"), and (iii) to determine the number of persons by which the Units would be considered to be beneficially owned for purposes of Section 3(c)(1) of the Investment Company Act of 1940, as amended from time to time (the "*Investment Company Act*").

4. The Subscriber hereby represents and warrants to, and agrees with, the Investment Entity and for the benefit of Ondello, Inc. and Constance Therapeutics, Inc. (the "*Targets*") that the following statements are true as of the date hereof and shall be true and correct as of the issue date applicable to the Subscriber:

(a) The Subscriber is acquiring the Units for its own account, solely for investment purposes and not with a view to resale or distribution thereof.

(b) The Subscriber has been furnished and has carefully read the confidential Target Disclosures provided in Part I of this Subscription Booklet, as amended or supplemented through the closing date of the Subscriber's subscription.

(c) The Subscriber acknowledges that (i) the offering and sale of the Units has not been and shall not be registered under the Securities Act and is being made in reliance upon federal and state exemptions for transactions not involving a public offering and (ii) the Investment Entity shall not be registered as an investment company under the Investment Company Act. In furtherance thereof, the Subscriber (x) represents and warrants that it is an "accredited investor" (as defined in Regulation D under the Securities Act) and that the information relating to the Subscriber set forth in the Investor Questionnaire attached hereto and forming a part of this Subscription Agreement is complete and accurate as of the date set forth on the signature page hereto and shall be complete and accurate as of the issue date applicable to the Subscriber and (y) agrees to notify the Investment Entity of any change in any such information occurring at any time prior to the dissolution or the termination of the Investment Entity.

(d) The Subscriber (either alone or together with any advisors retained by such person in connection with evaluating the merits and risks of prospective investments) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of purchasing Units, including the risks set forth under "Risk Factors" and in the confidential Target Disclosures, which are provided as Parts D and Parts I, respectively, to this Subscription Booklet, and is able to bear the economic risk of such investment, including a complete loss. The Subscriber understands that (i) the Units have not been and will not be registered under the Securities Act or the securities laws of any U.S. state and accordingly may not be offered, sold, transferred or pledged unless the Units are duly registered under the Securities Act and all other applicable securities laws or such offer or sale is made in accordance with an exemption from registration, (ii) substantial restrictions shall exist on transferability of the Units, including transfer restrictions as set forth in the Operating Agreement, (iii) no market for resale of any Units exists or is expected to develop, (iv) the Subscriber may not be able to liquidate its investment in the Investment Entity and (v) any instruments representing Units may bear legends restricting the transfer thereof.

(e) The Subscriber understands that the offering and sale of the Units in non-U.S. jurisdictions may be subject to additional restrictions and limitations and represents and warrants that it is acquiring its Units in compliance with all applicable laws, rules, regulations and other legal requirements applicable to the Subscriber in jurisdictions in which the Subscriber is resident and in which such acquisition is being consummated.

(f) The Subscriber has been furnished with, and has carefully read the Operating Agreement and this Subscription Agreement (including the Risk Factors) and has been given the opportunity to (i) ask questions of, and receive answers from, the Investment Entity or any Affiliate thereof concerning the terms and conditions of the offering and other matters pertaining to an investment in the Investment Entity and (ii) obtain any additional information which the Investment Entity can acquire without unreasonable effort or expense that is necessary to evaluate the merits and risks of an investment in the Investment Entity. In considering a subscription of Units, the Subscriber has not relied upon any representations made by, or other information (whether oral or written) furnished by or on behalf of, the Investment Entity or any officer, employee, agent or Affiliate of either thereof, other than as set forth in the Operating Agreement. The Subscriber has carefully considered and has, to the extent it believes such discussion

necessary, discussed with legal, tax, accounting and financial advisers the suitability of an investment in the Investment Entity in light of its particular legal, tax, accounting and financial situation, and has determined that the Units being subscribed for by it hereunder are a suitable investment for it. With respect to individual or partnership tax and other economic considerations involved in this investment, the Subscriber is not relying on the Investment Entity or any agent or representative of the Investment Entity.

(g) The Subscriber, if it is a corporation, limited liability company, trust, partnership or other entity, is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and the execution, delivery and performance by it of this Subscription Agreement and the Operating Agreement are within its powers, have been duly authorized by all necessary corporate or other action on its behalf, require no action by or in respect of, or filing with, any governmental body, agency or official (except as disclosed in writing to the Investment Entity) and do not and shall not contravene, or constitute a default under, any provision of applicable law or regulation or of its certificate of incorporation or other comparable organizational documents or, to its knowledge, any agreement, judgment, injunction, order, decree or other instrument to which the Subscriber is a party or by which the Subscriber or any of the Subscriber's properties is bound. The signature on the signature page of this Subscription Agreement is genuine, and the signatory has been duly authorized to execute the same, and this Subscription Agreement constitutes and the Operating Agreement, when executed and delivered, shall constitute, a valid and binding agreement of the Subscriber, enforceable against the Subscriber in accordance with its terms.

(h) The Subscriber is not a registered investment company under the Investment Company Act, is not required to register as an investment company under the Investment Company Act and is not a business development company as defined in the Investment Advisers Act of 1940, as amended from time to time (the "*Advisers Act*").

(i) The Subscriber agrees promptly to notify the Investment Entity should the Subscriber become aware of any change in the information set forth in paragraphs (a) through (h) of this Section 4.

(j) The Subscriber understands that legal counsel to the Investment Entity and to any of their respective Affiliates shall not be representing the Subscriber or any other investor in the Investment Entity, and no independent counsel has been retained to represent the Subscriber or any other investor in the Investment Entity.

(k) The Subscriber acknowledges and agrees that any distributions paid to it by the Investment Entity shall be paid to, and any contributions made by it to the Investment Entity shall be made from, an account in the Subscriber's name unless the Investment Entity, in its sole discretion, agrees otherwise.

(l) The Subscriber agrees to provide any information requested by the Investment Entity that the Investment Entity reasonably believes shall enable the Investment Entity to comply with all applicable anti-money laundering laws, rules and regulations, including any laws, rules and regulations applicable to an investment held or proposed to be held by the Investment Entity.

(m) The Subscriber acknowledges and agrees that: (i) there are substantial risks incident to purchasing Units, as summarized in "Risk Factors," which is attached hereto, and in the section entitled "Risk Factors" in the confidential Target Disclosures; (ii) neither the Investment Entity nor any of its Affiliates has acted as or is an agent or employee of or has advised the Subscriber in connection with the investment in the Investment Entity by the Subscriber and (iii) no federal, state, local or foreign agency has passed upon the Units or made any finding or determination as to the fairness of this investment.

(n) The Subscriber acknowledges that the issuance of the Units is intended to be exempt from registration under the Securities Act by virtue of Section 4(a)(2) of the Securities Act and the provisions of Regulation D thereunder, which is in part dependent upon the truth, completeness, and accuracy of the statements made by the undersigned herein and in the Investor Questionnaire.

(o) The foregoing representations, warranties and agreements shall survive the issue date.

5. The Subscriber shall, to the fullest extent permitted by applicable law, indemnify the Investment Entity, Targets and their respective officers, directors and control persons thereof (each, an "*Indemnified Party*") against any losses, claims, damages or liabilities to which any of them may become subject in any capacity in any action, proceeding or investigation arising out of or based upon any false representation or warranty, or breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein, or in any other document furnished to the Investment Entity by the Subscriber in connection with the offering of the Units, in each case as determined by a final judgment of a court of competent jurisdiction. The Subscriber shall reimburse each Indemnified Party for legal and other expenses (including the cost of any investigation and preparation) in connection with any such action, proceeding or investigation (whether incurred between any Indemnified Party and the Subscriber, or between any Indemnified Party and any third party) after such false representation or warranty or breach or failure by the Subscriber is found to have occurred as determined by a final judgment of a court of competent jurisdiction. The reimbursement and indemnity obligations of the Subscriber under this Section 5 shall survive the issue date applicable to the Subscriber and shall be in addition to any liability which the Subscriber may otherwise have (including, without limitation, liabilities under the Operating Agreement), and shall be binding upon and inure to the benefit of any successors, assigns, heirs, estates, executors, administrators and personal representatives of any Indemnified Party.

6. Neither this Subscription Agreement nor any provisions hereof shall be waived, modified, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, modification, discharge or termination is sought.

7. This Subscription Agreement is not transferable or assignable by the Subscriber. This Subscription Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. If the Subscriber is more than one person, the obligation of the Subscriber shall be joint and several, and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and its successors and assigns.

8. This Subscription Agreement and the other agreements or documents referred to herein or in the Operating Agreement contain the entire agreement of the parties, and there are no representations, covenants or other agreements except as stated or referred to herein and in such other agreements or documents. The signature page to this Subscription Agreement may be executed in several counterparts with the same effect as if the parties executing the several counterparts had all executed one counterpart.

9. This Subscription Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of laws principles.

10. Any term or provision of this Subscription Agreement that is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Subscription Agreement or affecting the validity or unenforceability of any of the terms or provisions of this Subscription Agreement in any other jurisdiction.

11. The Subscriber does hereby irrevocably constitute and appoint the Manager of the Investment Entity and each member thereof, with full power of substitution and resubstitution, Subscriber's true and lawful attorney-in-fact and agent, to execute, acknowledge, verify, swear to and deliver, in such Subscriber's place and stead, the Operating Agreement provided that such Operating Agreement is not materially different than the draft Operating Agreement provided to Subscriber with this Agreement or subsequent updated drafts provided to Subscriber before acceptance of this Agreement by the Investment Entity. The foregoing grant of authority is a special power of attorney, coupled with an interest, is irrevocable and shall survive the death, incapacity or incompetency of Subscriber.

By executing the Global Signature Page to this Subscription Agreement, the Subscriber agrees to be bound by the foregoing.

[Subscriber should execute the Global Signature Page at Section J]

PART F

INVESTOR QUESTIONNAIRE

The Investor Questionnaire contains three parts. Prospective investors should complete each applicable part.

Part F-I (p. 2): **To be completed by all investors.**

Part F-II (pp. 3-5): **To be completed by individuals.**

Part F-III (pp. 6-10): **To be completed by corporations, limited liability companies, partnerships, trusts and other entities.**

In addition, upon request of the Investment Entity, each prospective investor (i) that is a "*United States person*" (as defined below) (including a disregarded entity owned by a United States person) must submit to the Investment Entity a fully completed and executed Form W-9 or (ii) that is a non-United States individual, non-United States corporation, non-United States partnership or other non-United States entity (or a disregarded entity owned by a non-United States person) must submit to the Investment Entity a fully executed Form W-8BEN, W-8ECI, W-8IMY or W-8EXP, as applicable, to claim an exemption from: (a) U.S. information and back-up withholding, (b) U.S. withholding tax on portfolio interest, (c) U.S. withholding tax on source interest or dividend under any applicable income tax treaty, (d) U.S. withholding tax because income is effectively connected with the conduct of a U.S. trade or business or (e) U.S. withholding tax because the recipient is an exempt non-United States government or international organization.

* * * * * * * * * * * *

ALL INFORMATION CONTAINED IN THIS QUESTIONNAIRE WILL BE TREATED CONFIDENTIALLY. The undersigned understands, however, that the Investment Entity may present this Investor Questionnaire to such parties as it deems appropriate if called upon to establish that the proposed offer and sale of the Units is exempt from registration under the Securities Act of 1933, as amended, or meets the requirements of applicable state securities or "blue sky" laws. Further, the undersigned understands that the offering may be required to be reported to the Securities and Exchange Commission and to various state securities or "blue sky" regulators.

PART F-I
APPIAN TWO, LLC
Subscriber Information Page

Subscriber Full Legal Name:					
Subscriber Type:					
□ Individual	□ Joint Tenants with Rights of Survivorship	□ Trust	□ Partnership	□ Corporation	□ L.L.C.
□ IRA	□ Tenants in Common	□ Community Property		□ Other:	
Social Security/Tax ID No.: _____		Social Security/Tax ID No.: _____ (if necessary)			
State, or if not in the U.S., Country in which erethis Agreement was signed:					

Primary Contact Person:							
Mr. □ Mrs. □ Ms. □ Dr. □						Sr. □ Jr. □ II □ III □ IV □ Esq. □ CPA □	
Street Address:							
Address:						Telephone:	
						Fax:	
City:		State:		Zip:		E-mail:	
Country:							
Mailing Address (if different from Street Address):							
Address:						Telephone:	
						Fax:	
City:		State:		Zip:		E-mail:	
Country:							

Driver's License # (or State ID #)	**State of Issue:**	**Date of Issue:**	**Expiration Date:**

Distribution Information – Please Check One:

□ I prefer to have distributions wired to the following financial institution.

Bank Name:	Swift Code*:
Bank ABA#:	For Further Credit to:
City/State Country:	Account Name:
Account Name:	Account #:
Account #:	

* Required for U.S. dollar wire transfer to non-U.S. banks. Please contact your bank for more information.

□ I prefer to receive distributions by check.

PART F-II
TO BE COMPLETED BY INDIVIDUALS

By executing the Global Signature Page, the Subscriber certifies the following for the benefit of Appian Two, LLC and Constance Therapeutics, Inc. and Ondello, Inc.:

A. General Information

PLEASE NOTE: If any of questions 1, 2 or 3 below are answered "Yes," please provide identifying information or contact the Investment Entity.

1. Is the Subscriber subscribing for Units as agent, nominee, trustee or otherwise on behalf of, for the account of or jointly with any other person or entity?

   □ Yes □ No

2. Will any other person or persons have a beneficial interest in the Units acquired?

   □ Yes □ No

3. Does the Subscriber control any other existing or prospective investor in the Investment Entity?

   □ Yes □ No

4. Citizenship of Subscriber: _____

B. Subscriber Qualification

1. **Accredited Investor.** Units shall be sold only to investors who are *"accredited investors"* (as defined in Regulation D promulgated by the SEC pursuant to the Securities Act). Please indicate the basis of *"accredited investor"* status of the Subscriber by checking the applicable statement or statements.

   (a) Is the Subscriber a *natural person* whose individual net worth (or joint net worth with the Subscriber's spouse) exceeds $1,000,000[1]?

   □ Yes □ No

[1] For purposes of calculating a natural person's net worth: (i) the person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of purchase, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of purchase exceeds the amount outstanding sixty (60) days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of purchase shall be included as a liability.

(b) Is the Subscriber a natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint annual income with the Subscriber's spouse 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?

□ Yes □ No

(c) Is the Subscriber is a director, executive officer, or managing member of the Investment Entity or Target, or a director, executive officer of the managing member of the Investment Entity or Target.

□ Yes □ No

(d) Does the Subscriber have such knowledge and experience in financial and business matters that Subscriber is capable of evaluating the merits and risks of investing in the Units.

□ Yes □ No

2. Qualified Client.

The Subscriber represents and warrants that the Subscriber is a "qualified client" within the meaning of Rule 205-3 (17 C.F.R. § 275.205-3(d)) of the Advisers Act, and has checked the box or boxes below which are next to the category or categories under which the Investor qualifies as a "qualified client":

□ A natural person who, or a company that, immediately prior to entering into the Subscription Agreement, either: (a) has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than $2.1 million (excluding the person's primary residence); or (b) is a "qualified purchaser" as defined in Section 2(a)(51)(A) of the 1940 Act.

□ A natural person who, or a company that, immediately after entering into the Subscription Agreement has at least $1 million under the management of the Investment Entity, the Manager or any Affiliate thereof.

□ A natural person who immediately prior to entering into the Subscription Agreement is: (a) an executive officer, director, trustee, general partner, or person serving in a similar capacity, of the Investment Entity, the Manager or any Affiliate thereof; or (b) an employee of the Investment Entity, the Manager or any Affiliate thereof.

3. Disclosure of Foreign Citizenship

(a) Is the Subscriber a citizen of a country other than the United States (a "*Foreign Citizen*").

□ Yes □ No

(b) If Subscriber's answer to the preceding question is 'Yes", then Subscriber should specify the country of which Subscriber is a citizen in the space provided below:

_____

4. Disclosure of Tax Issues

(a) Subscriber is treated as a U.S. person for tax purposes under Sections 7701(a)(30)(A) for tax purposes.

□ Yes □ No

(b) Subscriber has consulted to the extent deemed appropriate by Subscriber with its own advisors as to the financial, tax, accounting, and related matters concerning an investment in the Units and on that basis understands the financial, tax, accounting, and related consequences of an investment in the Investment Entity, and believes that an investment in the Investment Entity is suitable and appropriate for the Subscriber. Name of advisor:

_____

5. Type of Ownership Interest

Please indicate desired type of ownership of the Units:

□ Individual; or

□ Joint Tenants (rights of survivorship); or

□ Tenants in Common (no rights of survivorship); or

□ Community Property (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington or Wisconsin). PLEASE NOTE: if you are married and live in a community property state, both you and your spouse must sign the Signature Pages to the Subscription Agreement.

6. Disciplinary Status

(a) Have you been convicted, within ten years of the date hereof of any felony or misdemeanor (a) in connection with the purchase or sale of any security, (b) involving the making of any false filing with the SEC, or (c) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

□ Yes □ No

(b) Are you subject to any order, judgment or decree of any court of competent jurisdiction entered within five years of the date hereof that, as of the date hereof restrains or enjoins you from engaging in (a) the purchase or sale of any security, (b) involving the making of any false filing with the SEC, or (c) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

□ Yes □ No

(c) Are you subject to a final order of a state securities commission (or an agency of officer of a state performing like functions), a state authority that supervises or examines banks, savings associations or credit unions, state insurance commissions (or an agency of officer of a state performing like functions), an appropriate federal banking agency, the U.S. Commodity Futures Trading Commission or the National Credit Union Administration that, as of the date hereof, bars you from (a) associating with an entity regulated by such commission, authority, agency or officer, (b) engaging in the business of securities, insurance or banking or (c) engaging in savings association or credit union activities or (2) entered in the past 10 years that constitute a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative or deceptive conduct?

□ Yes □ No

(d) Are you subject to SEC disciplinary orders relating to brokers, dealers, municipal securities dealers, investment advisers and investment companies and their associated persons?

□ Yes □ No

(e) Have you been suspended or expelled from membership in, or suspension or bar from associating with an m ember of, a securities self-regulatory organization (e.g., a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade?

□ Yes □ No

(f) Have you filed (as a registrant or issuer), or were you named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years of the date hereof, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, as of the date hereof, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued?

□ Yes □ No

(g) Are you subject to a United States Postal Service false representation order entered within five years before the date hereof, or are you, as of the date hereof, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations?

□ Yes □ No

7. Involvement with Related Business

Do you directly or indirectly own, control or have an interest in or act as an officer, director, partner, principal, shareholder, sole proprietor, employee, agent, representative, consultant, member, manager or independent contractor of any proprietorship, partnership, firm, trust, corporation, limited liability company, or other organization that operates or advises a business involving the cultivation, production, or sale of cannabis or cannabis-containing products?

□ Yes □ No

8. Supplemental Data (for Individuals)

Please indicate whether you are investing the assets of any retirement plan, employee benefit plan or other similar agreement (such as an IRA or “Keogh” plan).

□ Yes □ No

If the above question was answered “Yes,” please contact Ginsberg Jacobs LLC for additional information that will be required.

PART F-III
TO BE COMPLETED BY CORPORATIONS, LIMITED LIABILITY COMPANIES, PARTNERSHIPS, TRUSTS AND OTHER ENTITIES

By executing the Global Signature Page, the Subscriber certifies the following for the benefit of Appian Two, LLC, Constance Therapeutics, Inc. and Ondello, Inc.:

A. General Information

PLEASE NOTE: If any of questions 1, 2 or 3 below are answered "Yes," please provide identifying information or contact the Investment Entity.

1. Is the Subscriber subscribing for Units as agent, nominee, trustee or otherwise on behalf of, for the account of or jointly with any other person or entity?

□ Yes □ No

2. Will any other person or persons have a beneficial interest in the Units acquired (other than as a shareholder, partner, member, trust beneficiary or other beneficiary owner of equity interests in the Subscriber)?

□ Yes □ No

3. Does the Subscriber control, or is the Subscriber controlled by or under common control with, any other existing or prospective investor in the Investment Entity?

□ Yes □ No

4. Legal form of Subscriber: _____

5. U.S. State or foreign jurisdiction in which Subscriber was incorporated or formed:

_____

6. Authorized individual who is executing the Subscription Agreement on behalf of the investing entity is:

Name: _____

Current position or title: _____

Telephone number: _____

Facsimile number: _____

B. Subscriber Qualification

7. Accredited Investor. Units shall be sold only to investors who are "*accredited investors*" (as defined in Regulation D promulgated by the SEC pursuant to the Securities Act). Please indicate the basis of "*accredited investor*" status of the Subscriber by checking the applicable statement or statements.

□ The Subscriber has total assets in excess of $5,000,000, was not formed for the purpose of investing in the Investment Entity and is one of the following:

- a corporation
- a partnership
- a limited liability company
- a business trust
- a tax-exempt organization described in Section 501(c)(3) of the Code.

□ The Subscriber is a personal (non-business) trust, other than an employee benefit trust, with total assets in excess of $5,000,000 which was not formed for the purpose of investing in the Investment Entity and whose decision to invest in the Investment Entity has been directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the investment.

□ The Subscriber is an investment company registered under the Investment Company Act of 1940, as amended (the "*1940 Act*").

□ The Subscriber is an insurance company as defined in Section 2(13) of the Securities Act.

□ The Subscriber is a small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

□ The Subscriber is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.

□ The Subscriber is an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***") if the decision to invest in the Units is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

□ The Subscriber is a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if the plan has total assets in excess of $5,000,000.

□ The Subscriber is licensed, or subject to supervision, by U.S. federal or state examining authorities as a "*bank*," "*savings and loan association*," "*insurance company*," or "*small business investment company*" (as such terms are used and defined in 17 CFR §230.501(a)) or is an account for which a bank or savings and loan association is subscribing in a fiduciary capacity.

□ The Subscriber is registered with the SEC as a broker or dealer or an investment company, or has elected to be treated or qualifies as a "*business development company*" (within the meaning of Section 2(a)(48) of the Investment Company Act or Section 202(a)(22) of the Advisers Act).

□ The Subscriber is an entity in which *all* of the equity owners are either (a) natural persons or grantor trusts that qualify as an "accredited investor" (individually or jointly with spouse) exceeding $1,000,000 or (b) non-natural persons described above.

8. Qualified Client.

The Subscriber represents and warrants that the Subscriber is a "qualified client" within the meaning of Rule 205-3 (17 C.F.R. § 275.205 -3(d)) of the Advisers Act, and has checked the box or boxes below which are next to the category or categories under which the Investor qualifies as a "qualified client":

A natural person who, or a company that, immediately prior to entering into the Subscription Agreement, either: (a) has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than $2,100,000 million (excluding the person's primary residence); or (b) is a "qualified purchaser" as defined in Section 2(a)(51)(A) of the 1940 Act.

A natural person who, or a company that, immediately after entering into the Subscription Agreement has at least $1,000,000 under the management of the Investment Entity, Manager or any Affiliate thereof.

A natural person who immediately prior to entering into the Subscription Agreement is: (a) an executive officer, director, trustee, general partner, or person serving in a similar capacity, of the Investment Entity, Manager or any Affiliate Investment Entity, Manager; or (ii) an employee of the Investment Entity, Manager or any Affiliate thereof.

9. Investment Company Act Representation

□ Subscriber relies on the "private investment company" exclusion provided by section 3(c)(1) or 3(c)(7) of the 1940 Act to avoid registration and regulation under such Act. If the answer to this question is "True", the Investment Entity may limit Subscriber's investment such that investment in the Investment Entity constitutes less than 10% of the Investment Entity.

□ Yes □ No

10. Disclosure of Foreign Ownership

(a) Subscriber is an entity organized under the laws of a jurisdiction other than those of the United States or any state, territory or possession of the United States (a "*Foreign Entity*").

□ Yes □ No

(b) Subscriber is a corporation of which, in the aggregate, more than 25% of the capital stock is owned of record or voted by Foreign Citizens (as defined in the "Individuals" Section F-II above of this Questionnaire), Foreign Entities, Foreign Corporations (as defined below) or Foreign Partnerships (as defined below) (a "*Foreign Corporation*").

□ Yes □ No

(c) Subscriber is a general or limited partnership of which any general or limited partner is a Foreign Citizen, Foreign Entity, Foreign Corporation or Foreign Partnership (as defined below) (a "*Foreign Partnership*").

□ Yes □ No

(d) Subscriber is a representative of, or entity controlled by, any of the entities listed in items (a) through (d) above.

□ Yes □ No

11. Disclosure of Tax Issues

(a) Subscriber is treated as a U.S. person for tax purposes under Section 7701(a)(30) for tax purposes.

□ Yes □ No

(b) Subscriber is either (A) not treated as a flow-through vehicle for U.S. federal income tax purposes (e.g., a partnership or a limited liability company) or (B) all of Subscriber's partners or members are U.S. persons described in Code Section 7701(a)(30)(A), (C), (D) or (E), and Subscriber will notify the Investment Entity immediately of any change in status of its partners or members as U.S. persons.

□ Yes □ No

(c) Subscriber has consulted, to the extent deemed appropriate by the undersigned, with its own advisors as to the financial, tax, accounting, and related matters concerning an investment in interests and on that basis understands the financial, tax, accounting, and related consequences of an investment in the Investment Entity, and believes that an investment in the Investment Entity is suitable and appropriate for the undersigned. Name of advisor.

□ Yes □ No

(d) Subscriber is exempt from U.S. federal income taxation under Section 115 or 501 of the Code. Please indicate the basis of the exemption.

□ Yes □ No

(e) Subscriber is treated as a flow-through vehicle for U.S. federal income tax purposes (e.g., a partnership or a limited liability company), and one or more of its partners or members is exempt from U.S. federal income taxation under Section 115 or 501 of the Code.

□ Yes □ No

(f) If the Subscriber's tax year ends on a d ate other than December 31, please indicate such date below:

12. Disciplinary Status

(a) Have you been convicted, within ten years of the date hereof of any felony or misdemeanor (a) in connection with the purchase or sale of any security, (b) involving the making of any false filing with the SEC, or (c) arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

□ Yes □ No

(b) Are you subject to any order, judgment or decree of any court of competent jurisdiction entered within five years of the date hereof that, as of the date hereof restrains or enjoins you from engaging in (a) the purchase or sale of any security, (b) involving the making of any false filing with the SEC, or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities?

□ Yes □ No

(c) Are you subject to a final order of a state securities commission (or an agency of officer of a state performing like functions), a state authority that supervises or examines banks, savings associations or credit unions, state insurance commissions (or an agency of officer of a state performing like functions), an appropriate federal banking agency, the U.S. Commodity Futures Trading Commission or the National Credit Union Administration that, as of the date hereof, bars you from (a) associating with an entity regulated by such commission, authority, agency or officer, (b) engaging in the business of securities, insurance or banking or (c) engaging in savings association or credit union activities or (2) entered in the past 10 years that constitute a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative or deceptive conduct?

□ Yes □ No

(d) Are you subject to SEC disciplinary orders relating to brokers, dealers, municipal securities dealers, investment advisers and investment companies and their associated persons?

□ Yes □ No

(e) Have you been suspended or expelled from membership in, or suspension or bar from associating with a member of, a securities self-regulatory organization (e.g., a registered national securities exchange or a registered

national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade?

□ Yes □ No

(f) Have you filed (as a registrant or issuer), or were you named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years of the date hereof, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, as of the date hereof, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued?

□ Yes □ No

(g) Are you subject to a United States Postal Service false representation order entered within five years before the date hereof, or are you, as of the date hereof, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations?

□ Yes □ No

13. Involvement with Related Business

(a) Do you or any of your Affiliates (as hereinafter defined) own, control or have an interest in or act as an officer, director, partner, principal, shareholder, sole proprietor, employee, agent, representative, consultant, member, manager or independent contractor of any proprietorship, partnership, firm, trust, corporation, limited liability company, or other organization that operates or advises a business involving the cultivation, production, or sale of cannabis or cannabis-containing products?

□ Yes □ No

(b) As used herein, the term "Affiliate" refers to any individual person, domestic or foreign corporation, domestic or foreign partnership, domestic or foreign limited liability company, trust, business trust, joint venture, estate, association or other foreign business organization which controls the undersigned, which the undersigned controls, or which is under common control with the undersigned. For the purposes of the preceding sentence, the term "control" means the power, direct or indirect, to direct or cause the direction of the management and policies of an individual, domestic or foreign corporation, domestic or foreign partnership, domestic or foreign limited

liability company, trust, business trust, joint venture, estate, association or other foreign business organization through voting securities, contract or otherwise.

□ Yes □ No

14. Supplemental Data

(a) With respect to its acquisition of the Units, is the Subscriber a participant-directed defined contribution plan (such as a 401(k) plan), or a partnership or other investment vehicle (x) in which its partners or participants have or shall have any discretion as to their level of investment in the Subscriber or in investments made by the Subscriber (including the Subscriber's investment in Units), or (y) that is otherwise an entity managed to facilitate the individual decisions of its beneficial owners to invest in the Investment Entity?

□ Yes □ No

(b) Please indicate whether or not the Subscriber is, or is acting (directly or indirectly) on behalf of, (x)(i) an employee benefit plan (within the meaning of Section 3(3) of ERISA), whether or not such plan is subject to Title 1 of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "*Code*"), or (iii) a "benefit plan investor" within the meaning of 29 C.F.R. Section 2510.3-101 or (y) an entity with respect to which 25% or more of the value of any class of its equity is held by entities described in clause (x); provided that for purposes of making the determination referred to in the foregoing clause (y), the value of any equity interest held by a person (other than an entity described in clause (x) above) who has discretionary authority or control with respect to the assets of the entity or a person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such person, shall be disregarded (each of the foregoing described in clauses (x) and (y) being referred to as a "*Plan Investor*"). In this regard, an insurance company using general account assets may be deemed to include the assets of any of the foregoing types of plans, accounts or arrangements, pursuant to Section 401(c) of ERISA. For example, plans that are maintained by a foreign corporation, a governmental entity or a church are employee benefit plans within the meaning of Section 3(3) of ERISA but generally are not subject to Title I of ERISA or Section 4975 of the Code (collectively, "*Non-ERISA Plans*"). In general, a U.S. or non-U.S. entity that is not an operating company, which is not publicly traded or registered as an investment company under the 1940 Act, and in which 25% or more of the value of any class of equity interests is held by the types of plans, accounts, arrangements and entities referenced above would be deemed to hold the assets of plans, accounts, arrangements, and entities subject to Title I of

ERISA or Section 4975 of the Code, pursuant to 29 Section 2510.3-101. However, if only Non-ERISA Plans were invested in such an entity, the entity generally would not be subject to Title I of ERISA or Section 4975 of the Code. For purposes of determining whether this 25% threshold has been met or exceeded, the value of any equity interests held by a person (other than a benefit plan investor) who has discretionary authority or control with respect to the assets of the entity, or any person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person, is disregarded.

□ Yes □ No

(c) If the Subscriber is, or is acting (directly or indirectly) on behalf of, such a Plan Investor, please indicate whether or not the Plan Investor is subject to Title I of ERISA or Section 4975 of the Code.

□ Yes □ No

(d) If question (c) above was answered "No," please indicate whether or not such Plan Investor is subject to any provisions of any federal, state, local, non-U.S. or other laws or regulations that are (x) similar to those provisions contained in ERISA or the Code and (y) similar to the provisions of the Department of Labor ERISA plan asset regulations or which would otherwise provide that the assets of the Investment Entity could be deemed to include "plan assets" under such law or regulation.

□ Yes □ No

(e) Does the amount of the Subscriber's subscription for Units in the Investment Entity exceed 40% of the total assets (on a consolidated basis with its subsidiaries) of the Subscriber?

□ Yes □ No

(f) Is the Subscriber an "investment company" registered or required to be registered under the 1940 Act, or not required to be registered thereunder on account of the provisions of Section 3(c)(1) or 3(c)(7) thereof?

□ Yes □ No

PART G
OFFERING LEGENDS

For Residents of Florida

THE UNITS IN THE LIMITED LIABILITY COMPANY OFFERED BY THIS SUBSCRIPTION BOOKLET HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT.

IF SALES ARE MADE TO FIVE (5) OR MORE INVESTORS IN FLORIDA, ANY FLORIDA INVESTOR MAY, AT HIS OPTION, VOID ANY PURCHASE HEREUNDER WITHIN A PERIOD OF THREE (3) DAYS AFTER HE (A) FIRST TENDERS OR PAYS TO THE LIMITED LIABILITY COMPANY, AN AGENT OF THE LIMITED LIABILITY COMPANY OR AN E SCROW AGENT THE CONSIDERATION REQUIRED HEREUNDER, OR (B) DELIVERS HIS EXECUTED SUBSCRIPTION AGREEMENT, WHICHEVER OCCURS LATER TO ACCOMPLISH THIS. IT IS SUFFICIENT FOR A FLORIDA INVESTOR TO SEND A LETTER OR TELEGRAM TO THE LIMITED LIABILITY COMPANY WITHIN SUCH THREE (3) DAY P ERIOD, STATING THAT HE IS VOIDING AND R ESCINDING THE PURCHASE. IF AN INVESTOR SENDS A LETTER, IT IS PRUDENT TO DO SO BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO INSURE THAT THE LETTER IS RECEIVED AND TO EVIDENCE THE TIME OF MAILING.

For Other Residents of the U.S.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE UNITS HAVE NOT BEEN RECOMMENDED BY ANY U.S. FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE UNITS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.THE UNITS OF MEMBERSHIP INTERESTS OFFERED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR UNDER THE SECURITIES LAWS OF ANY STATE OR FOREIGN JURISDICTION AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH APPLICABLE FEDERAL, STATE AND FOREIGN SECURITIES LAWS. IN ADDITION, TRANSFER OR OTHER DISPOSITION OF THE UNITS IS RESTRICTED AS PROVIDED IN THE AGREEMENT.

For All Non-U.S. Residents Generally

IT IS THE RESPONSIBILITY OF ANY PERSON WISHING TO SUBSCRIBE FOR THE UNITS TO INFORM THEMSELVES OF, AND TO OBSERVE ALL APPLICABLE LAWS

AND REGULATIONS OF, ANY RELEVANT JURISDICTIONS. PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF THE UNITS, AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT THERETO.

PART H

APPIAN TWO, LLC OPERATING AGREEMENT

SEE ATTACHED

OPERATING AGREEMENT OF APPIAN TWO, LLC

(A Delaware Limited Liability Company)

Dated as of August __, 2017

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Appian Two, LLC
OPERATING AGREEMENT

THIS OPERATING AGREEMENT (this "*Agreement*") of Appian Two, LLC (the "*Company*") is made and entered into as of August __, 2017, by and among the Company and each of the Persons who become parties hereto as of the date hereof or as added from time to time thereafter in accordance with the terms of this Agreement (each, a "*Member*" and collectively the "*Members*"). The Manager formed the Company by causing to be filed with the Secretary of State of Delaware a Certificate of Formation on August __, 2017. The Members, in consideration of the premises and the agreements herein contained and intending to be legally bound, hereby agree as follows:

ARTICLE 1
DEFINITIONS

1.1. **Definitions.** Capitalized terms used herein and not otherwise defined have the meanings assigned to them in *Appendix I* hereto.

ARTICLE 2
ORGANIZATION OF COMPANY

2.1. **Formation.** The Members agree to continue the Company subject to the terms of this Agreement in accordance with the Delaware Limited Liability Company Act, as amended from time to time (the "*Act*").

2.2. **Name.** The name of the Company is "Appian Two, LLC." The affairs of the Company shall be conducted under the Company name, or such other name as the Manager may from time to time designate upon written notice to the Members. The Company shall have the exclusive right to use its name as long as the Company continues. At the time of the Company's final liquidating distribution, the Company's name and any goodwill associated with it shall be assigned to the Manager.

2.3. **Purpose.** The primary purposes of the Company are: (a) to make one or more investments in the Targets at such times and in such amounts as determined by the Manager, including without limitation, through the purchase of preferred stock (the "*Investment*"), (b) to exercise all rights, powers, privileges, and other incidents of ownership or possession with respect to the Investment, and (c) to engage in all activities and transactions as may be necessary, advisable, or desirable to carry out any one or more of the activities described in the preceding clauses (a) – (b). Subject to the preceding clauses (a) – (c), the Company may engage in any activity that is lawful for, and shall have all the powers available to, a limited liability company organized under the Act. Any one or more of the Company's purposes may be changed or expanded with the consent of the Manager.

2.4. **Principal Office.** The principal office of the Company shall be such place or places as the Manager may from time to time designate.

2.5. **Registered Agent and Office.** The name of the registered agent for service of process of the Company and the address of the Company's registered office in the State of

Delaware shall be The Corporation Trust Company, located at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, or such other agent or office in the State of Delaware as the Manager may from time to time designate.

ARTICLE 3
TERM OF COMPANY; INVESTMENT ACTIVITIES

3.1. **Term.** The term (the *"Term"*) of the Company commenced upon the date of the filing of the Certificate of Formation of the Company with the office of the Secretary of State of the State of Delaware and shall continue until dissolved in accordance with this Agreement or the Act.

3.2. **Events Affecting the Manager.** The death, withdrawal, temporary or permanent incapacity, insanity, incompetency, bankruptcy, expulsion or removal of the Manager shall not dissolve the Company.

3.3. **Events Affecting a Member of the Company.** The death, temporary or permanent incapacity, insanity, incompetency, bankruptcy, liquidation, dissolution, reorganization, merger, sale of all or substantially all the stock or assets of, or other change in the ownership or nature of a Member shall not dissolve the Company. Upon the death, incompetency, bankruptcy, insolvency, liquidation or dissolution of a Member, the rights and obligations of such Member under this Agreement, to the fullest extent permitted by law, shall inure to the benefit of, and shall be binding upon, such Member's successor(s), estate or legal representative, and each such Person shall be treated as an assignee of such Member's Units for purposes of Article 10 until such time as such Person may be admitted as a Member pursuant that Article.

3.4. **Investment and Return of Capital Contributions.** The Company may hold Capital Contributions or invest Capital Contributions in the Investment without the consent of any Members at any time.

ARTICLE 4
MEMBERS

4.1. **Names, Addresses and Capital Contributions of Members.** The name and address of each Member and the amount of such Member's Capital Contribution to the Company are set forth in the books and records of the Company.

4.2. **Status and Control of Members**.

(a) Subject to any provision to the contrary in this Agreement or any subscription agreement entered into between the Company and the Member, or under the Act, no Member, in its capacity as such, shall be liable for the debts and obligations of the Company.

(b) No Member, in its capacity as such, shall take any part in the control of the affairs of the Company, undertake any transactions on behalf of the Company, or have any power to sign for or otherwise to bind the Company. Except as otherwise provided herein and solely to the extent the following restrictions are permitted by applicable law, no Member shall have the right or power to: (i) withdraw or reduce its Capital Contribution; (ii) cause the dissolution and

winding up of the Company; or (iii) demand or receive property in return for its Capital Contribution.

4.3. **Admission of Additional Members**.

(a) Except as provided in Section 4.3(b) or Section 10.6, a Person may be admitted as a Member ("*Additional Member*"), and additional Capital Contributions may be accepted from existing Members after the date of this Agreement, only with the consent of, and on the terms approved by, the Manager. Upon the admittance of any Additional Member, such Additional Member shall be deemed a "Member" for all purposes of this Agreement.

(b) The Company may (solely with the consent of the Manager), at any time and from time to time, admit Additional Members and accept additional Capital Contributions from existing Members.

(c) No Person shall be admitted as a Member until such Person (i) executes and delivers to the Company a counterpart of this Agreement and such Member's Subscription Agreement or otherwise takes such actions as the Manager shall deem appropriate in order for such additional Member to become bound by the terms of this Agreement and such Member's Subscription Agreement, and (ii) pays to the Company the entire amount of such Member's Capital Contribution as reflected in such Member's Subscription Agreement with the Company.

4.4. **Confidentiality.** From time to time, a Member may receive or become aware of Confidential Information concerning the Company, the Targets, or a Member. No Member shall use, misuse or disclose to any third party any such Confidential Information for any purpose, except that:

(a) The recipient of Confidential Information may disclose, on a need-to-know basis, Confidential Information that it receives to its lawyers, auditors or other professional advisors and to any Representative who needs to know such information in his or her capacity as a Representative and who is advised of the confidential nature of the Confidential Information; provided that such Persons maintain the confidentiality of such information in accordance with customary professional practice and applicable ethical codes of conduct and the terms of all confidentiality agreements to which they are a party.

(b) The recipient may disclose Confidential Information if and to the extent it is required to do so by a court order or otherwise as required by law. In the event that the recipient is required in any circumstance to disclose any Confidential Information, such recipient shall give the Company prompt written notice of such request in advance of any response thereto so that the Company may seek an appropriate protective order, and the recipient shall cooperate with the Company in any proceeding to obtain such a protective order. I n the absence of a protective order, if the recipient is nonetheless compelled to disclose Confidential Information in the opinion of its legal counsel, it may disclose only that portion of the Confidential Information that it is advised by counsel that it is legally required to so disclose; provided that the recipient shall give the Company written notice of the information to be disclosed as far in advance of its disclosure as is reasonably practicable and, upon the request of the Company shall use its reasonable best efforts, at the sole cost and expense of the Company to obtain assurances that confidential treatment shall be accorded to such information.

(c) Notwithstanding the foregoing, a Member who is an officer, Manager or employee of the Company may disclose Confidential Information to the extent such disclosure is required for the performance of such Member's duties to the Company.

(d) It is agreed between the parties that the Company will be irreparably damaged by reason of any violation of the provisions of this Section 4.4, and that any remedy at law for a breach of such provisions would be inadequate. Therefore, the Company shall be entitled to injunctive or other equitable relief (including a temporary restraining order, a temporary injunction or a permanent injunction) against any Member, such Member's Representatives, assigns or successors for a breach or threatened breach of such provisions and without the necessity of proving actual monetary loss. It is expressly understood among the parties that this injunctive or other equitable relief shall not be the exclusive remedy for any breach of this Section 4.4 and the Company shall be entitled to seek any other relief or remedy that either may have by contract, statute, law or otherwise for any breach hereof, and it is agreed that the Company shall also be entitled to recover its attorneys' fees and expenses in any successful action or suit against any Member or such Member's Representatives, assigns or successors relating to any such breach.

(e) The provisions of this Section 4.4 shall continue to apply to each Member and former Member notwithstanding (i) the transfer by such Member of his, her or its Units or (ii) the liquidation or dissolution of the Company, in each case, until the third (3rd) anniversary of the date of such transfer, liquidation or dissolution.

ARTICLE 5
MANAGER OR MANAGERS

5.1. **Management Control and Powers.** The management, policies and control of the Company shall be vested exclusively in the Manager. Except as otherwise explicitly provided herein, the Manager shall have the power on behalf of and in the name of the Company to implement the objectives of the Company and to exercise any rights and powers the Company may possess, including, without limitation, (i) the power to cause the Company to make any elections available to the Company under applicable tax or other laws, and (ii) without the consent of the Members, and provided that the relative legal and economic rights of the Members are not adversely affected thereby, to convert the Company to a limited partnership pursuant to the laws of the State of Delaware in the event the Manager determines that such conversion is in the best interests of the Company or any Member. No Person, in dealing with the Manager, shall be required to determine the Manager's authority to make any commitment or to engage in any undertaking on behalf of the Company, or to determine any fact or circumstance bearing upon the existence of the authority of the Manager. Notwithstanding any other provision of this Agreement, without the consent of any Member or other Person being required, the Company is hereby authorized to execute, deliver and perform, and the Manager is hereby authorized to execute and deliver on behalf of the Company, a Subscription Agreement with each Member and any agreement, document or other instrument contemplated thereby or related thereto. Such power and authorization to enter into such documents shall not be deemed a restriction on the power of the Manager to enter into other documents on behalf of the Company.

5.2. **Election and Removal of Manager.** The Manager shall be Appian Fund Management Company, LLC. The Manager shall serve until its dissolution or resignation. Upon

any vacancy of a Manager seat, such vacancy will be filled by a Majority in Interest of the Members.

5.3. **Meetings and Notice.** The Manager may hold meetings at such times and at such places as the Manager may determine. All such meetings will be held upon at least 24 hours prior written notice.

5.4. **Delegation of Powers; Committees.** The Manager may delegate its powers to any Person, including an Affiliate of a Member. In addition, the Manager may designate one or more standing or advisory committees, which may exercise any of the delegated powers and authority of the Manager in the management of the business and affairs of the Company to the extent not otherwise restricted by law. Any person or entity receiving such delegation or designation must obtain any relevant approvals required by this Agreement. The Manager will be kept informed on a timely basis of all actions of any committee. The Manager will have power at any time to change the number and the members of any such committee, to fill vacancies, and to discharge any such committee. The Manager may dissolve any committee at any time, unless otherwise provided in this Agreement.

5.5. **Written Consents.** The Manager may act without a meeting, without prior notice, and without a vote, if a consent or consents in writing setting forth the action so taken is signed by the Manager.

5.6. **Officers.** The Manager may elect a President, Vice-President, Secretary, and Treasurer of the Company as well as such other officers and assistant officers as the Manager may deem desirable having such authority as the Manager may designate. The officers of the Company will serve at the pleasure of the Manager until their death, resignation or removal. Any vacancy occurring in any office may be filled by the Manager. In addition to the designation of officers, each Principal shall be deemed a "manager" under the Act.

5.7. **No Authority of Member(s).** Except as expressly provided in this Agreement or required by any non-waivable provisions of applicable law, Members will have no right to vote on or consent to any matter, act, decision, or document involving the Company or its business. Except as otherwise expressly provided in this Agreement, no Member, acting individually, nor any Affiliate of a Member, has the power or authority to bind the Company, or any other Member or to authorize any action to be taken by the Company, or to act as agent for the Company or any other Member, unless that power or authority has been specifically delegated or authorized by action of the Manager.

5.8. **Reimbursements; Compensation.** The Company will reimburse the Manager, the Members, and their duly authorized representatives, for all ordinary and necessary out-of-pocket expenses incurred by them on behalf of the Company, in accordance with policies established by the Manager. Such reimbursement will be treated as an expense of the Company and will not be deemed to constitute a distributive share of Profits or a distribution or return of capital to any Member. Each Person providing services to the Company may be reasonably compensated for services rendered to the Company upon approval of the Manager.

5.9. **Time Commitment and Other Activities.** The Members acknowledge and agree that the Principals are currently, and that the Principals and their Affiliates (collectively, the "*Manager Affiliates*") may in the future be, actively engaged, independently and with others, and

for their own accounts and the accounts of others, in the promotion, financing, ownership, development and management (including without limitation serving as an officer, manager, member or general partner) of other entities, including operating businesses, investment entities, private equity funds and portfolio companies and investments competitive with, similar to or strategically consistent with the Company's targeted investments, and including personal capital investments and ownership of capital and carried equity interests therein. The Members further acknowledge and agree that any such activities may involve or lead to, and any such entities may make investments in the Investment. The Members hereby consent and agree to such activities and investments and further agree that neither the Company nor any of its Members shall have any rights in or to such activities or investments, or any profits derived therefrom, unless a Member and any one or more of the Manager Affiliates have entered into a separate written agreement (besides this Agreement) with respect to any such activities or investments. The Principals shall devote only such business time to the Company and Related Entities as the Principals reasonably determine necessary to manage its affairs and activities, *provided, however,* that (i) no Manager Affiliate shall be under any obligation or duty to devote all or substantially all or any specific or minimum amount of their business time to the affairs of the Company, (ii) the Members acknowledge and agree that the Principals may devote time to the management of other limited partnerships, limited liability companies, corporations, funds, investment vehicles and their portfolio companies, and (iii) the Principals may engage in personal investments and other personal, civic or charitable affairs which in no event shall be considered a violation of this Section 5.14 or of any other obligations of the Manager or the Principals hereunder. A "*Related Entity*" shall mean (a) any Affiliate engaged in performing services for the Company or, at the Company's request, for the Investment; and (b) any other investment or equity holding entity, private equity fund or management entity now existing or formed in the future, and their portfolio companies, investing in the Investment.

5.10. **Investment Opportunities and Restrictions**.

(a) Subject to Section 4.3(c), each of the Members hereby agree that the Manager, in its sole discretion, may offer the right to participate in investment opportunities of the Company, to other private investors, groups, partnerships or corporations whenever the Manager, in its discretion, so determines, including, without limitation, subsequent funds managed by the Principals, with no obligation or duty to disclose or make such opportunities available to the Company.

(b) Except as otherwise provided in this Agreement, the Company shall not loan money to the Manager, Principals or any Manager Affiliate.

5.11. **Limitation of Duties and Liability; Indemnification**.

(a) No Manager Affiliate, Manager, or Principal shall have or owe any fiduciary or other duty to the Company, any Member or any other Person, not expressly set forth in this Agreement, other than the implied contractual covenant of good faith and fair dealing, and whether at law or in equity, any such other implied duty is hereby expressly eliminated.

(b) No Manager Affiliate, Manager, or Principal shall be liable, responsible or accountable, whether directly or indirectly, in contract or tort, for breach of a fiduciary or other duty, or otherwise, to the Company, any Member or other Person with which the Company has a

contractual or business relationship, any other Person in which the Company has a direct or indirect interest, or any of their respective Affiliates, for any liability, claim or damages asserted against, or loss suffered or incurred by the Company or any of such Persons arising out of, relating to or in connection with any investment or other act or failure to act pursuant to this Agreement or otherwise with respect to the management and conduct of the Company's business and activities, the offer and sale of Units in the Company, and any activities in the conduct of other business engaged in by it or them which might involve a conflict of interest or in which any of them realizes a profit or has an interest, except liabilities, claims or damages (i) resulting from acts or omissions which constituted a bad faith violation of the implied contractual covenant of good faith and fair dealing, or (ii) constituted actual fraud or willful misconduct. For the purposes of the foregoing, no action or omission involving a conflict of interest or from which a Manager Affiliate, Principals, Manager, or any of their Affiliates realizes a profit or in which they have an interest shall constitute, per se, a bad faith violation of the implied contractual covenant of good faith and fair dealing.

(c) The Company agrees to and shall indemnify (only out of Company assets) and hold harmless each Manager Affiliate, Principal and Manager (each individually, an "*Indemnitee*") from and against any and all losses, claims, demands, costs, damages, liabilities, expenses of any nature (including reasonable attorneys' fees and disbursements), judgments, fines, settlements, and other amounts arising from any and all claims, demands, actions, suits, or proceedings, whether civil, criminal, administrative, or investigative, in which an Indemnitee, acting in any permitted capacity, may be involved, or threatened to be involved, as a party or otherwise, arising out of or incidental to the business of the Company, regardless of whether an Indemnitee continues to be a Manager Affiliate, Principals or Manager at the time any such liability or expense is paid or incurred, *provided,* that the Indemnitee did not engage in conduct, or act or omit to act in a manner, constituting (i) actual fraud or willful misconduct, or (ii) only if the Indemnitee is a Manager Affiliate, Principals or Manager, a b ad faith violation of the implied contractual covenant of good faith and fair dealing.

(d) Expenses incurred by an Indemnitee in defending any claim, demand, action, suit, or proceeding subject to this Section 5.11 may, from time to time and as determined by the Manager in its sole and absolute discretion, be advanced by the Company prior to the final disposition of such claim, demand, action, suit, or proceeding upon receipt by the Company of an undertaking by or on behalf of the Indemnitee to repay such amounts if it is ultimately determined that such person is not entitled to be indemnified as authorized in this Section 5.11. The indemnification provided by this Section 5.11: (i) shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, as a matter of law or equity, or otherwise; (ii) shall continue as to an Indemnitee who has ceased to serve in such capacity; and (iii) shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee. Subject to the foregoing sentence, the provisions of this Section 5.11 are for the benefit of the Indemnitees and shall not be deemed to create any rights for the benefit of any third party or other person.

(e) If any Person or Indemnitee or the Company is subject to any federal or state law, rule or regulation which restricts the extent to which any such Person or Indemnitee may be exonerated or indemnified by the Company, the provisions of this Section 5.11 shall be deemed to be amended, automatically and without further action by the Members, to the minimum extent necessary to conform to such restrictions.

(f) The Manager does not, in any way, guarantee the return of the Members' Capital Contributions or a profit or return to the Members from the operations of the Company. No Manager Affiliate, Principals or Manager is responsible to any Member because of a loss of their investment in the Company or a loss in the operations of the Company, unless the loss is the result of the Manager Affiliate's bad faith violation of the implied contractual covenant of good faith or actual fraud or willful misconduct. No Manager Affiliate, Principals or Manager will incur any liability to the Company or any Member as a result of engaging in any other business or venture which is permitted under this Article 5. A Manager Affiliate, Principals or Manager shall be entitled to any other protection afforded to such person under the Act.

5.12. **Forced Withdrawal of Member**.

(a) Any Member may be expelled by the Manager if the Manager, in good faith, determines (i) it is unlawful for either of the Targets to carry on its business due to the Member being a member of the Investment Entity that invests in, or owns equity securities in either Target; (ii) either Target is unable to obtain or maintain a permit or license due to the Member being a member of the Investment Entity, which permit or license is reasonably necessary or convenient for such Target to carry on its business or (iii) the Member has participated in activities that are in violation of applicable law that would or reasonably could jeopardize the validity or continuing effectiveness of a material license or registration held by either Target. Upon forced withdrawal of a Member pursuant to this Section 5.12, the Member will receive the lesser of (i) its full contributed capital minus any aggregate distributions already made to such Member and (ii) the fair market value at the time with withdrawal, as determined by an independent third party appraiser, in each case subject to offset pursuant to Section 5.12(b). For the avoidance of doubt, the Manager may rely upon the determination of either Target with respect to Subsections (i) through (iii) above, and such reliance shall be deemed to be in good faith absent fraudulent misconduct.

(b) A Member that commits a material breach of this Agreement its Subscription Agreement, including but not limited to a breach which leads to withdrawal pursuant to Section 5.12(a) above, may be liable for all costs, penalties and consequences resulting from such breach as may be available at law or in equity. Such costs may be offset by distributions to be made to the Member pursuant to Section 5.12(a).

ARTICLE 6
CAPITAL ACCOUNTS AND CAPITAL CONTRIBUTIONS

6.1. **Capital Accounts.** An individual Capital Account shall be maintained for each Member.

6.2. **Capital Contributions of the Members.** Each Member (including any Principals acquiring Units) has made a cash Capital Contribution to the Company as set forth on *Schedule A* to this Agreement. No Member shall be required or entitled to contribute any other or additional capital to the Company, nor shall any Member be required or entitled to loan any funds to the Company. No Member shall have any obligation to restore any negative balance in such Member's Capital Account upon a liquidation or dissolution of the Company.

6.3. **Capital Contributions of the Principals.** The Principals may, but shall not be required to, contribute any capital to the Company.

6.4. **Admittance of Additional Members after Closing Date.** The Manager may, in its sole discretion, admit new Members after the Closing Date. In the event any Member is accepted after the Closing Date in accordance with Section 4.3, such Member shall contribute to the Company as of the date on which such Member is admitted (the "*Admittance Date*") an amount equal to the sum of (i) such Capital Contributions as would have been contributed had the Member been admitted to the Company on the Closing Date and (ii) interest at 1% per month, calculated on such Capital Contribution from the Closing Date to the Admittance Date. The newly admitted Member's Capital Contribution will be deemed to have been made as of the Closing Date. Any amounts contributed as interest will be used to pay any accrued interest on any indebtedness of the Company that is repaid with the proceeds of such Capital Contribution and all such payments of accrued interest shall be allocated solely to the newly admitted Member.

ARTICLE 7
DISTRIBUTIONS

7.1. **Interest.** No interest shall be paid to any Member on account of such Member's Units in the capital of or on account of its investment in the Company.

7.2. **Withdrawals by the Members.** No Member may withdraw any amount from such Member's Capital Account, unless otherwise provided in this Agreement.

7.3. **No Obligation to Repay or Restore.** Except as required by law or the terms of this Agreement, no Member shall be obligated at any time to repay or restore to the Company all or any part of any distribution made to it from the Company in accordance with the terms of this Article 7.

7.4. **Tax Distributions**. Subject to the availability of cash for distribution and the discretion of the Manager to establish reasonable reserves for expenses of the Company, the Manager will use commercially reasonably efforts to cause the Company to pay to each Member within ninety (90) days after the end of each fiscal year during the Term an amount of cash (a "*Tax Distribution*") which in the good faith judgment of the Manager equals (i) the amount of taxable income allocable to the Member in respect of such fiscal year (net of taxable Losses allocated to the Member in respect of prior fiscal years and not previously taken into account under this clause), multiplied by (ii) the Applicable Tax Rate, with such Tax Distribution to be made to the Members in the same proportions that taxable income was allocated to the Members during such fiscal year (net of taxable Losses allocated to the Members in respect of prior fiscal years and not previously taken into account under this clause). Except as provided in the following sentence, Tax Distributions shall be considered advance Distributions to Members under Sections 7.5. Distributions made to a Member pursuant to Section 7.5 during any fiscal year shall reduce dollar for dollar the amount of distributions to which a Member would otherwise be entitled hereunder with respect to such fiscal year.

7.5. **Discretionary Distributions.** In addition to any distributions made pursuant to Section 7.4 above, the Manager may make distributions from time to time in its sole discretion, which distributions shall be apportioned among the Members (including the Principals and

Manager Affiliates) in proportion to their respective Capital Contributions. The amounts so apportioned to the Principals and Manager Affiliates shall be distributions to such Principals and Manager Affiliates, and the amounts apportioned to each Non-Affiliated Member pursuant to the preceding sentence shall then be immediately reapportioned as between such Non-Affiliated Member on the one hand and the Manager on the other hand and distributed as follows:

(a) First, 100% to such Members in proportion to their Capital Contributions until such Members have received aggregate distributions pursuant to this Section 7.5(a) equal to their Capital Contribution;

(b) Second, 100% to such Members in proportion to their respective Capital Contributions until such Members have received aggregate distributions at a rate of 15% per annum compounded annually on their unreturned Capital Contributions (the "*Preferred Return*");

(c) Third, 100% to the Manager until the Manager has received aggregate distributions pursuant to this Section 7.5(c) equal to 20% of the amount of distributions made to all Members pursuant to Sections 7.5(b) and 7.5(c), as a catch-up on the Manager's Carried Interest; and

(d) Thereafter, 80% to such Members in proportion to their Capital Contributions and 20% to the Manager as Carried Interest.

7.6. **Restrictions on Distributions.** The foregoing provisions of this Article 7 to the contrary notwithstanding, no distribution shall be made:

(a) if such distribution would violate any contract or agreement to which the Company is then a party or any law, rule, regulation, order or directive of any governmental authority then applicable to the Company;

(b) to the extent the Manager, in its discretion, determines that any amount otherwise distributable should be retained by the Company to pay, or to establish a reserve for the payment of, any liability or obligation of the Company, whether liquidated, fixed, contingent or otherwise; or

(c) to the extent that the Manager, in its discretion, determines that the cash or other assets available to the Company are insufficient to permit such distribution.

7.7. **Withholding Obligations**.

(a) If and to the extent the Company is required by law (as determined in good faith by the Manager) to make payments ("*Tax Payments*") with respect to any Member in amounts required to discharge any legal obligation of the Company or the Manager to withhold amounts from any distribution or allocation and make payments to any governmental authority with respect to any federal, state or local tax liability of such Member arising as a result of such Member's Units in the Company, then the amount of any such Tax Payments shall be deemed to be a loan by the Company to such Member, which loan shall: (i) be secured by such Member's Units in the Company, (ii) bear interest at the floating commercial rate of interest publicly announced by Bank of America National Association (or its successor) as its prime rate, and (iii) be payable upon demand.

(b) If and to the extent the Company is required to make any Tax Payments with respect to any distribution or allocation to a Member, either (i) such Member's proportionate share of any such distribution shall be reduced by the amount of such Tax Payments (*provided*, that such Member's Capital Account shall be adjusted for such Member's full proportionate share of the distribution without respect to such reduction), or (ii) such Member shall pay to the Company prior to such distribution an amount of cash equal to such Tax Payments.

ARTICLE 8
PROFIT AND LOSS ALLOCATIONS

8.1. **Allocation of Profit or Loss.** Except as otherwise provided in *Appendix II*, Profit and Loss of the Company for any Accounting Period or any other period shall be allocated among the Members so that the Capital Account of each Member, after making such allocation, is, as nearly as possible, equal (or in proportion thereto, if the total amount to be allocated is insufficient) to the distributions that would be made to such Member (other than in its capacity as a creditor of the Company) if the Company were dissolved, its affairs wound up, and its assets sold for cash equal to their respective Adjusted Asset Values, all Company liabilities were satisfied, and the net assets of the Company were distributed in accordance with Section 7.5 to the Members immediately after making such allocation. For purposes of determining the Capital Account of each Member hereunder, Profit and Loss with respect to any Accounting Period shall be allocated prior to reducing such Capital Account by any distributions with respect to such Accounting Period.

8.2. **Intent of Allocations; Savings Clause.** The parties intend that the foregoing tax allocation provisions of this Article 8 and *Appendix II* shall produce final Capital Account balances of the Members that will permit liquidating distributions that are made in accordance with final Capital Account balances under Section 11.2(e)(iii) hereof to be made in a manner identical to the order or priorities set forth in Section 7.5. To the extent that the tax allocation provisions of this Article 8 or *Appendix II* would fail to produce such final Capital Account balances, such provisions shall be amended by the Manager if and to the extent necessary to produce such result and Profit and Loss or items thereof for prior open years shall be reallocated by the Manager to the extent it is not possible to achieve such result with allocations of Profit and Loss and items thereof for the current and future years, as approved by the Manager. The Manager shall have the power to amend this Agreement without the consent of the Members, as it reasonably considers advisable, to make the allocations and adjustments described in this Section 8.2.

ARTICLE 9
ORGANIZATIONAL EXPENSES; COMPANY EXPENSES

9.1. **Company Fees and Organizational Expenses**.

(a) Subject to Section 9.1(b), at the Closing Date, and at each Admittance Date thereafter, if any, to the extent that new or increased Capital Contributions on such Admittance Date increase the amounts payable pursuant to this Section 9.1, the Company shall pay, out of the aggregate Capital Contributions, to the Manager, a fee (the "*Due Diligence Fee*") equal to the greater of $150,000 or 2% of the aggregate amount of Capital Contributions of all Members. The Manager, at its option, may (i) waive the Due Diligence Fee in exchange for Units in an amount equal to the amount of the Due Diligence Fee divided by the purchase price per Unit or (ii) cause

the Due Diligence Fee to be paid to the Company as consideration for the issuance of Units to the Manager in an amount equal to the Due Diligence Fee paid to the Company divided by the purchase price per Unit.

(b) If payment of the Due Diligence Fee would violate any contract or agreement to which the Company is then a party or any law, rule, regulation, order or directive of any governmental authority then applicable to the Company, then the following will apply to that payment: (i) the Company will pay as much of such fees as possible without causing any such violation; (ii) any unpaid Due Diligence Fees will accrue without interest; and (iii) as soon as possible, the Company will pay any accrued but unpaid Due Diligence Fees to the maximum extent possible without causing any such violation. The Company shall pay any accrued Due Diligence Fees, as soon as legally practicable, before making any distributions to the Members.

(c) The Company shall fund and pay professional fees, placement fees and other costs and expenses relating to the Company's organization, offering and acquisition of the Investment or development of the Investment (those costs and expenses are "*Organizational Expenses*") equal to 1% of the aggregate amount of Capital Contributions of all Members. At closing of the Investment, the Company shall pay or reimburse the Manager for all Organizational Expenses.

(d) The Due Diligence Fee or the funding or reimbursement of Organizational Expenses under Section 9.1(c) shall not be reduced by any fees, compensation or payments of any nature (and whether in cash or in kind) received by the Manager, the Principals or any Manager Affiliate from or with respect to any entity with respect to which such persons are acting on the Company's behalf, including without limitation consulting, commitment, referral, cancellation, syndication, success or performance fees.

9.2. **Future Company Expenses**.

(a) The Company shall bear all normal operating expenses incurred in connection with the operations of the Company. Such normal operating expenses to be borne by the Company shall include, without limitation, ordinary administrative and overhead expenses, expenditures on account of salaries, wages, travel, entertainment, and other expenses of the Company's employees, rentals payable for space used by the Company, bookkeeping services and equipment.

(b) The Company shall bear all costs and expenses incurred in connection with the formation of the Company and the ongoing existence of the Company, including without limitation syndication costs relating to financings, fees and expenses, legal fees and costs, audit and accounting fees, any direct expenses and an allocation for the Manager's overhead expenses related to the Company, taxes applicable to the Company on account of its operations, fees incurred in connection with the maintenance of bank or custodian accounts, annual registration, filing or other fees charged by any governmental authority, costs and expenses of preparing and distribution reports and tax information to the Members. The Company shall also bear expenses incurred by the Company in having the Company's state and federal income tax returns prepared and by the Manager in serving as the tax matters partner (as described in Section 12.5), the cost of liability and other insurance premiums, out-of-pocket costs associated with Company meetings or Manager matters, all legal and accounting fees relating to the Company and its activities, all costs and

expenses arising out of litigation involving the Company or the Company's indemnification obligations pursuant to this Agreement, and all expenses that are not normal operating expenses. The Company will retain (and not invest in the Targets) a portion of the aggregate Capital Contributions to fund such ongoing Company expenses.

(c) The Company shall bear all liquidation costs, fees, and expenses incurred by the Manager (or its designee) in connection with the liquidation of the Company at the end of the Term, specifically including but not limited to legal and accounting fees and expenses.

ARTICLE 10
REPRESENTATIONS AND TRANSFER OF INTERESTS

10.1. **Representations of the Members**.

(a) This Agreement is made with each of the Members in reliance upon each Member's representation to the Company, which by executing this Agreement each Member hereby confirms, that its Units in the Company are to be acquired for investment, and not with a view to the sale or distribution of any part thereof, and that it has no present intention of selling, granting participation in, or otherwise distributing the same, and each Member understands that its Units in the Company have not been registered under the Securities Act and that any transfer or other disposition of the Units may not be made without registration under the Securities Act or pursuant to an applicable exemption therefrom. Each Member further represents that it does not have any contract, undertaking, agreement, or arrangement with any person to sell, transfer, or grant participations to such person, or to any third person, with respect to its Units in the Company.

(b) Each Member hereby agrees to use its best efforts to ensure that: (1) none of the monies that such Member will contribute to the Company shall be derived from, or related to, any activity that is deemed criminal under United States law; and (2) no contribution or payment by such Member to the Company, to the extent that such contribution or payment is within such Member's control, shall cause the Company or the Manager to be in violation of the United States Bank Secrecy Act, the United Money Laundering Control Act of 1986 or the United States International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001.

10.2. **Qualifications of the Members.** Each Member represents that such Member is an "accredited investor" within the meaning of that term as defined in Regulation D promulgated under the Securities Act.

10.3. **Transfer by Manager.** The Manager may not sell, assign, mortgage, pledge or otherwise dispose of Carried Interest other than to the Principals, any Manager Affiliate, to one or more of each of their respective Affiliates, or to an existing Member, or withdraw from the Company, without the prior written consent of a Majority in Interest of the Members. Notwithstanding the foregoing, in no event may the Manager transfer Carried Interest in violation of Sections 10.5(a) through 10.5(h).

10.4. **Transfer by Member.** No Member may sell, exchange, assign, pledge, mortgage, or otherwise dispose of or transfer any part of its Units in the Company without the prior written consent of the Manager, who may withhold its consent in its sole and absolute discretion for any

reason or no reason. Any sale, exchange, assignment, mortgage, pledge, or other disposition of any Units in the Company that violates this Agreement is void.

10.5. **Requirements for Transfer.** No transfer or other disposition of any interest in the Units shall be permitted until the Manager shall have received an opinion of counsel satisfactory to it that the effect of such transfer or disposition would not: result in the Company's assets being considered, in the opinion of counsel for the Company, as "plan assets" within the meaning of ERISA or any regulations proposed or promulgated thereunder;

(a) result in the termination of the Company's tax year under Section 708(b)(1)(B) of the Code;

(b) result in violation of the Securities Act or any comparable state law;

(c) require the Company to register as an investment company under the Investment Company Act of 1940, as amended;

(d) require the Company, the Manager, or the Principals to register as an investment adviser under the Investment Advisers Act of 1940, as amended;

(e) result in a termination of the Company's status as a partnership for tax purposes;

(f) result in a violation of any law, rule, or regulation by the Member, the Company, the Manager, the Principals; or

(g) cause the Company to be deemed to be a "publicly traded partnership" as such term is defined in Section 7704(b) of the Code.

Such legal opinion shall be provided to the Manager by the transferring Member or the proposed transferee. Any costs associated with such opinion shall be borne by the transferring Member or the proposed transferee. Upon request, the Manager will use its good faith diligent efforts to provide any information possessed by the Company and reasonably requested by a transferring Member to enable it to render the foregoing opinion.

10.6. **Substitution as a Member.** A transferee of a Member's Units pursuant to this Article 10 shall become a substituted Member only with the consent of the Manager and only if such transferee (a) elects to become a substituted Member and (b) executes, acknowledges and delivers to the Company such other instruments as the Manager may deem necessary or advisable to effect the admission of such transferee as a substituted Member, including, without limitation, the written acceptance and adoption by such transferee of the provisions of this Agreement. No assignment by any Member of its Units in the Company shall release the assignor from its obligations to the Company pursuant to this Agreement; *provided* that if the assignee becomes a Member as provided in this Section 10.6, the assignor shall thereupon so be released (in the case of a partial assignment, to the extent of such assignment).

ARTICLE 11
DISSOLUTION AND LIQUIDATION OF THE COMPANY

11.1. **Dissolution of the Company**.

(a) The Company shall dissolve, and the affairs of the Company shall be wound up, upon the occurrence of any of the following:

(i) The decision of the Manager to dissolve the Company; or Subject to Section 11.1(b), any other event that, under the Act, would cause the dissolution of the Company or make it unlawful for the business of the Company to be continued.

(b) To the maximum extent permitted by applicable law, each Member waives the right to seek a judicial dissolution of the Company.

11.2. **Winding Up Procedures**.

(a) *Winding Up*. Upon the Company's dissolution under this Agreement or applicable law, the Manager will immediately begin winding up the Company's affairs; provided, that if the Company does not then have a Manager, Members holding a Majority in Interest will promptly appoint a liquidating trustee to wind up the Company's affairs. The Manager or the liquidating trustee, as applicable, will liquidate the Company's assets in an orderly manner, with due regard for the effects of then current market conditions on the sale of the Company's assets.

(b) *Status During Dissolution*. Notwithstanding the Company's dissolution, the business of the Company and the Members' affairs, as such, will continue to be governed by this Agreement, but will be confined to those activities reasonably necessary to wind up the Company's affairs, discharge its obligations and preserve and distribute its assets as provided by this Article 11. The Manager or the liquidating trustee, as applicable, shall use commercially reasonable efforts to wind up and liquidate the Company within two years after the Company's date of dissolution.

(c) *Nature of Distributions*. The Company may make distributions to the Members in liquidation in cash or in kind, or partly in cash and partly in kind, as determined by the Manager, or the liquidating trustee, as applicable. The Manager or the liquidating trustee, as applicable, in its reasonable discretion, will determine the fair market value of distributions in kind and whether such distributions in kind are subject to conditions and restrictions necessary or advisable to preserve the value of the property so distributed or to comply with applicable law.

(d) *Tax Allocations*. During the period of winding-up and liquidation, the Manager will allocate Profits and Losses of the Company among the Members in accordance with the provisions of Article 8. For any property distributed in kind, the Manager will adjust Capital Accounts of the Members with regard to that property in accordance with the provisions of Article 8.

(e) *Distribution Priority*. Upon the Company's dissolution, the Manager or the liquidating trustee, as applicable, will apply and distribute the Company's assets in the following order of priority:

(i) First, to the payment of debts and liabilities of the Company and expenses of the liquidation and winding up, all in the order of priority under applicable law;

(ii) Second, to the setting up of any reserves that the Manager or the liquidating trustee may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company, but when the Manager or the liquidating trustee, as applicable, deems advisable, the balance of those reserves remaining after payment of any such contingent liabilities will be distributed in the manner set forth in Section 11.2(e)(iii); and

(iii) Third, to the Members in accordance with Section 7.5 above.

11.3. **Deficit Make-Up Not Required**. Upon the liquidation of the Company within the meaning of Section 1.704-1(b)(2)(ii)(*g*) of the Treasury Regulations, each Member's Capital Account will be adjusted for all contributions, distributions and allocations in accordance with this Agreement for all taxable years including the year during which such liquidation occurs. No Member is required to make any payment to the Company, any Member, or any creditor of the Company or of any Member because the Member has a deficit balance in its Capital Account after the Company's liquidation or at any other time. If the Company property remaining after the payment or discharge of the Company's debts and liabilities is insufficient to return the Capital Contribution of one or more Members, those Members have no recourse against any other Member or the Manager.

11.4. **Final Accounting.** The Manager or the liquidating trustee, as applicable, will provide to each Member a financial statement setting forth the assets and liabilities of the Company as of the date of dissolution and all income, gains, losses and deductions realized by the Company upon complete liquidation of Company assets. When the Company is liquidated and all Company property is distributed, the Company will terminate.

11.5. **Certificate of Cancellation.** After the winding-up and liquidation of the Company is complete, the Manager or the liquidating trustee, as applicable, shall: (i) designate one or more Persons to hold the Company's books and records and to make them available to the Members on a reasonable basis for not less than three years after the Company's termination under the Act and (ii) sign, file, and record, as necessary, a Certificate of Cancellation in accordance with the Act as well as any other documents necessary or appropriate to terminate the Company under Act and other applicable laws.

ARTICLE 12
FINANCIAL ACCOUNTING, REPORTS AND VOTING

12.1. **Financial Accounting; Fiscal Year.** The books and records of the Company shall be kept in accordance with the provisions of this Agreement and otherwise in accordance with generally accepted accounting principles consistently applied, and shall be compiled, reviewed or audited at the end of each fiscal year by an independent public accountant selected by the Manager. The Company's fiscal year shall be the calendar year.

12.2. **Supervision; Inspection of Books.** Proper and complete books of account of the Company, copies of the Company's federal, state and local tax returns for each fiscal year, the Schedule of Members set forth in *Schedule A*, this Agreement and the Company's Certificate of Formation shall be kept under the supervision of the Manager at the principal office of the Company. Such books and records shall be open to inspection by the Members, or their authorized representatives, at any reasonable time during normal business hours after reasonable advance notice. Such books and records shall be maintained by the Manager or its designee for a period of three (3) years following final dissolution of the Company.

12.3. **Annual Report; Financial Statements of the Company.** The Manager shall transmit to the Members within ninety (90) days after the close of the Company's fiscal year financial statements of the Company prepared in accordance with the terms of this Agreement and otherwise in accordance with generally accepted accounting principles, including an income statement for the year then ended and a balance sheet as of the end of such year, a statement of changes in the Members' Capital Accounts, and a list of investments then held. The financial statements shall be accompanied by a report from the Manager to the Members, which shall include a status report on the Investment and a valuation of the Investment; *provided, however*, such report may be delivered at any meeting of the Members in lieu of delivery along with the financial statements.

12.4. **Tax Returns.** The Manager shall cause the Company's IRS Form 1065, Schedule K-1, to be prepared and delivered to the Members within ninety (90) days after the close of the Company's fiscal year.

12.5. **Tax Matters Member.** Brad Leshnock shall be the Company's tax matters partner under the Code and under any comparable provision of state law. Brad Leshnock shall have the right to resign as tax matters partner by giving thirty (30) days' written notice to each Member. Upon such resignation a successor tax matters partner shall be elected by the Manager. The tax matters partner shall employ experienced tax counsel to represent the Company in connection with any audit or investigation of the Company by the Internal Revenue Service and in connection with all subsequent administrative and judicial proceedings arising out of such audit. If the tax matters partner is required by law or regulation to incur fees and expenses in connection with tax matters not affecting all the Members, then the Company shall be entitled to reimbursement from those Members on whose behalf such fees and expenses were incurred. The tax matters partner shall keep the Members informed of all administrative and judicial proceedings, as required by Section 6223(g) of the Code, and shall furnish to each Member, if such Member so requests in writing, a copy of each notice or other communication received by the tax matters partner from the Internal Revenue Service, except such notices or communications as are sent directly to such requesting Member by the Internal Revenue Service. To the fullest extent permitted by law, the Company agrees to indemnify the tax matters partner and its agents and save and hold them harmless, from and in respect to (i) all fees, costs and expenses in connection with or resulting from any claim, action, or demand against the tax matters partner, the Manager or the Company that arise out of or in any way relate to the tax matters partner's status as tax matters partner for the Company, and (ii) all such claims, actions, and demands and any losses or damages therefrom, including amounts paid in settlement or compromise of any such claim, action, or demand.

ARTICLE 13
OTHER PROVISIONS

13.1. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Delaware as applied to agreements among the residents of such state made and to be performed entirely within such state, without reference to any state's conflicts of law requirements.

13.2. **Limitation of Liability of the Members.** Except as required by law, no Member shall be bound by, nor be personally liable for, the expenses, liabilities or obligations of the Company in excess of its Capital Contribution to the Company.

13.3. **Severability.** If any provision of this Agreement is determined to be unenforceable, all other provisions nevertheless remain enforceable. In addition, that unenforceable provision is considered replaced with an enforceable provision as similar in intent as reasonably possible to the unenforceable provision.

13.4. **Other Instruments and Acts.** The Members agree to execute any other instruments or perform any other acts that are or may be reasonably necessary to effectuate and carry on the Company created by this Agreement.

13.5. **Binding Agreement**. Subject to Article 10, this Agreement shall be binding upon the transferees, successors, assigns, and legal representatives of the Members.

13.6. **Notices**.

(a) General. All notices, requests, consents, approvals, reports and statements shall be in writing and, if properly addressed to the recipient in the manner required in this Section, shall be deemed for purposes of this Agreement to have been delivered: (i) on the date of actual receipt if delivered personally to the recipient; (ii) three (3) Business Days after mailing by first class mail, postage prepaid; (iii) one (1) Business Day after the date of transmission by prepaid telegram; (iv) on the date of Electronic Transmission if given in accordance with this Section; or (v) one (1) Business Day after deposit with a reputable overnight courier service.

(b) Electronic Notices. Without limiting the manner by which notice otherwise may be given effectively to the Members pursuant to Section 13.6(a), any notice or report to Members given by the Company or the Manager under any provision of this Agreement shall be effective if given by a form of Electronic Transmission consented to by the Member to whom the notice is given. Any such consent shall be revocable by the Member by written notice to the Company. Notice given pursuant to this Section 13.6(b) shall be deemed delivered: (i) if by facsimile telecommunication, the date on which it is directed to the facsimile number at which the recipient has consented in writing or by Electronic Transmission to receive notice; or (ii) if by electronic mail, the date on which it is directed to an electronic mail address at which the addressee has consented in writing to receive notice. As used herein, "*Electronic Transmission*" means communication or transmission by facsimile or electronic mail. Each Member hereby consents to receive notices by Electronic Transmission at the facsimile number or e-mail address, or both, set forth on *Schedule A* of this Agreement.

(c) Non-Electronic Notices. Any non-electronic document or notice shall be deemed to be properly addressed, if to the Company or to any Member, if addressed to such Person at such Person's address as set forth on *Schedule A* or to such other address or addresses as the addressee previously may have specified by written notice given to the other parties in a manner contemplated by this Section.

13.7. **Power of Attorney.** To facilitate the convenient and efficient operations of the Company, each Member, by signing the Subscription Agreement, designates and appoints the Manager its true and lawful attorney-in-fact, in its name, place, and stead and gives the Manager full power and authority, in place of such Member, to make, execute, sign, and file this Agreement, the Certificate of Formation and any amendment thereto and such other instruments, documents, or certificates that may from time to time be required of the Company by the laws of the United States of America, the laws of the state of the Company's formation, or any other state in which the Company shall conduct its affairs in order to qualify or otherwise enable the Company to conduct its affairs in such jurisdictions. Such attorney is not hereby granted any authority on behalf of the Members to amend this Agreement except that as attorney for each of the Members, the Manager shall have the authority to amend this Agreement and the Certificate of Formation (and to execute any amendment to the Agreement or the Certificate of Formation on behalf of itself and as attorney in fact for each of the Members) as may be required to effect:

(a) Admission of additional Members pursuant to Article 4;

(b) Withdrawal of Members pursuant to Article 7;

(c) Transfers of Units pursuant to Article 10;

(d) Cure of any ambiguity or correct or supplement any provision herein which may be inconsistent with any other provision herein or to correct any printing, stenographic or clerical errors or omissions in order that this Agreement shall accurately reflect the agreement among the Company and the Members (and the Members agree that any such corrections may be effected by the Manager without formerly amending this Agreement at any time prior to the Manager's delivery of final subscription and Company documents to each Member or at any time thereafter); or

(e) Amendment of *Schedule A* to provide or change any necessary information regarding any Member.

This power of attorney granted by each Member (i) is a power coupled with an interest, (ii) is irrevocable and survives the Member's incompetency and shall not terminate upon the disability of the Member, (iii) may be exercised by the attorney-in-fact by a facsimile signature or by listing all of the Members executing the instrument with a signature of any attorney-in-fact as the attorney-in-fact for all of them, (iv) survives the assignment of any Member's Units and (v) empowers the attorney-in-fact to act to the same extent for any successor of the Member.

13.8. **Amendment**.

(a) Subject to Sections 13.8 (b) and (c), this Agreement may be amended only with the written consent of the Manager and a Majority in Interest of the Members.

(b) Notwithstanding Section 13.7, no amendment of this Agreement may (i) modify any provision requiring the consent of more than Majority in Interest of the Members without the consent of such higher Percentage in Interest, or (ii) modify the method of making Company allocations or distributions, modify the method of determining the Units of any Member, reduce any Member's Capital Account, modify any provision of this Agreement pertaining to limitations on liability of the Members, modify this Agreement to materially and adversely affect the rights and obligations of any Member in a manner disproportionate to that of all other Members, or change the restrictions contained in this Section 13.8(b), unless each Member materially adversely affected thereby in a manner different than the other Members has expressly consented in writing to such amendment.

(c) The Company's or Manager's (or any of their managers', directors', members' or employees') noncompliance with any provision hereof in any single transaction or event may be waived in writing by the same Percentage in Interest of the Members that would be required to amend such provision pursuant to Sections 13.8(a) or (b). No waiver shall be deemed a waiver of any subsequent event of noncompliance.

13.9. **Entire Agreement.** This Agreement embodies the parties' completely integrated agreement and supersedes all other agreements or understandings among them pertaining to the subject matter of this Agreement. This Agreement's provisions must not be explained, supplemented, or qualified through evidence of trade usage or a prior course of dealings. In entering into this Agreement, no party has relied upon another person's statement, representation, warranty, or agreement except for those expressly contained in this Agreement.

13.10. **No Third Party Beneficiaries**. Other than Indemnitees entitled to indemnification under Section 5.16, the provisions of this Agreement are not intended to be for the benefit of or enforceable by any third party.

13.11. **Interpretation.** This Agreement's descriptive headings are for reference only and must not affect the interpretation of this Agreement. Unless the context clearly requires to the contrary: (i) each reference in this Agreement to a designated "Article," "Section," "Schedule," "Exhibit," or "Appendix" is to the corresponding Article, Section, Schedule, Exhibit, or Appendix of, or to this Agreement; (ii) instances of gender or entity-specific usage (e.g., "his" "her" "its" "person" or "individual") do not preclude the application of any provision of this Agreement to any individual or entity; (iii) "including" means "including, without limitation"; (iv) references to laws, regulations, and other governmental rules, as well as to contracts, agreements, and other instruments, means such rules and instruments as in effect at the time of determination (taking into account any amendments thereto effective at such time without regard to whether such amendments were enacted or adopted after the effective date of this Agreement) and include all successor rules and instruments thereto; (v) references to "days" mean calendar days; and (vi) references to months or years are to the actual calendar months or years at issue (taking into account the actual number of days in any such month or year).

13.12. **No Presumptions Because of Authorship**. This Agreement may not be construed for or against any party to this Agreement because of the authorship or alleged authorship of any provisions of this Agreement or because of the status of the respective parties to this Agreement.

13.13. **Waiver of Partition.** To the extent permitted under applicable law, each Member irrevocably waives any right to maintain any action for partition of the Company's assets.

13.14. **Counterparts**. The parties may sign this Agreement in multiple counterparts. Each signed counterpart is considered an original document, but all signed counterparts when taken together constitute one original document. A party may effectively deliver that party's signed counterpart of this Agreement by facsimile or by e-mail of a PDF copy. This Agreement takes effect when each party has delivered at least one of its signed counterparts to all the other parties.

[*Counterpart Signature Pages Follow*]

IN WITNESS WHEREOF, the Company and the Members have executed this **OPERATING AGREEMENT** as of the date first written above.

COMPANY:

Appian Two, LLC

By: Appian Fund Management Company, LLC, its manager

By: _____
Name: _____
Title: Manager

MEMBERS:

All Members now and hereafter admitted pursuant to the power of attorney now and hereafter granted to the Manager

Appian Two, LLC

By: Appian Fund Management Company, LLC, its manager

By: _____
Name: _____
Title: Manager

MANAGER:

Appian Fund Management Company, LLC

By: _____
Name: _____
Title: Manager

APPENDIX I
Appian Two, LLC

OPERATING AGREEMENT

DEFINITIONS

For the purposes of this Agreement, the following terms shall have the meanings set forth below (such meanings to be equally applicable to both singular and plural forms of the terms so defined). Additional defined terms are set forth in the provisions of this Agreement to which they related.

"*Accounting Period*" means Accounting Period shall mean (a) a calendar year if there are no changes in the Members' respective interests in the Profit or Loss of the Company during such calendar year except on the first day thereof, or (b) any other period beginning on the first day of a calendar year, or any other day during a calendar year upon which occurs a change in such respective interests, and ending on the last day of a calendar year, or on the day preceding an earlier day upon which any change in such respective interests shall occur.

"*Act*" is defined in Section 2.1.

"*Additional Member*" is defined in Section 4.3(a).

"*Adjusted Asset Value*" means, with respect to any asset other than cash, the asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Adjusted Asset Value of any asset contributed by a Member to the Company shall be the fair market value of such asset at the time of contribution, as determined by the contributing Member and the Company.

(b) In the discretion of the Manager, the Adjusted Asset Values of all Company assets may be adjusted pursuant to Treasury Regulations Section 1.704-1(b) to equal their respective fair market values as of the time of adjustment in accordance with such Treasury Regulations.

(c) The Adjusted Asset Value of any Company asset other than cash distributed to any Member shall be the fair market value of such asset on the date of distribution.

(d) The Adjusted Asset Value of all Company assets shall be adjusted to equal their respective fair market values, as determined by the Manager, as of the occurrence of an event described in Section 11.2.

(e) The Adjusted Asset Value of all assets of the Company shall be adjusted by depreciation as computed for book purposes as provided in Treasury Regulations Section 1.704-1(b)(2)(iv)(g) and any other adjustments to the basis of such assets other than depreciation or amortization.

"*Admittance Date*" is defined in Section 6.4.

"*Affiliate*" means (a) any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by or is under common control with the Person specified, (b) any Person who is a shareholder, member, partner, director, officer or manager of, or consultant to, such Person or of any Person described in clause (a), or (c) with respect to any Member, any Person who would be a permitted transferee of such Member under Section 10.4 if such Member were a Member. The term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of more than 50% of the voting securities, by contract or otherwise.

"*Agreement*" is defined in the Preamble.

"*Applicable Tax Rate*" means the combined federal, state and local tax rate applicable to any Member as determined from time to time by the Manager.

"*Business Day*" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in the City of Chicago, Illinois, are required by law to remain closed.

"*Capital Account*" means a Member's original Capital Contribution, (a) increased by any additional Capital Contributions, its share of Profit that is allocated to it pursuant to this Agreement, and the amount of any Company liabilities that are assumed by it or that are secured by any Company property distributed to it, and (b) decreased by the amount of any distributions to or withdrawals by it, its share of expense or Loss that is allocated to it pursuant to this Agreement, and the amount of any of its liabilities that are assumed by the Company or that are secured by any property contributed by it to the Company. The foregoing provision and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Regulations Section 1.704-1(b)(2)(iv), and shall be interpreted and applied in a manner consistent with such Treasury Regulations. In the event the Manager shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto, are computed in order to comply with such Treasury Regulations, the Manager may make such modification, *provided* that it is not likely to have more than an insignificant effect on the total amounts distributable to any Member pursuant to Article 7 and Article 11.

"*Capital Contribution*" means the amount that a Member has agreed to contribute to the capital of the Company as set forth opposite such Member's name on *Schedule A* hereto, as such Schedule may be amended from time to time (including to reduce the amount of the Capital Contributions reflected thereon upon the Company's return of Capital Contributions pursuant to Section 3.4).

"*Carried Interest*" means amounts received by the Principals pursuant to (or by reference to) Sections 7.5(c) and 7.5(d) of the Agreement (excluding in each case any distributions on account of Capital Contributions by the Principals and as appropriately adjusted pursuant to the contributions and distributions made pursuant to Section 7.4 of the Agreement).

"*Closing Date*" means the date on which the Company closes its initial equity investment in the Targets.

"*Code*" means the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

"*Company*" is defined in the Preamble.

"*Confidential Information*" means all confidential or proprietary information, in any form or media, whether or not marked as confidential, of the Company and any present and future Subsidiaries or Affiliates of the Company, including (a) the terms of, and transactions and relationships contemplated by, this Agreement and all related agreements, arrangements and understandings, (b) reports, including annual reports, operating reports, financial reports and budget projections, (c) technology, trade secrets, inventions, research and development plans, activities and results, methods, processes, algorithms, technical data and know-how, (d) financial information, including with respect to fees, costs and pricing structures, (e) patient, customer, client and supplier lists, (f) accounting and business methods and business plans and strategies, (g) blueprints, construction drawings, floor plans, other drawings, photographs, reports and analysis, (h) treatment plans, medical protocols, flow charts, manuals and documentation, (i) software (including all code), databases and data, (j) information pertaining to future developments such as future marketing or acquisition plans or ideas and (k) all other tangible and intangible property that is used or held for use in the business and operations of the Company and any present or future Subsidiaries or Affiliates of the Company. The foregoing notwithstanding, the Confidential Information identified in clauses (c) through (k) above shall not consist of information that is or becomes published or generally available to the public other than through a breach of the terms and conditions of this Agreement.

"*Due Diligence Fee*" is defined in Section 9.1(a).

"*Economic Interest*" means the right (a) to receive allocations of Profits, Losses, and other tax items in accordance with this Agreement and where applicable, the Act, (b) to receive any distributions under this Agreement, or, where applicable, the Act, and (c) to transfer Units to the extent permitted by this Agreement. An Economic Interest excludes payments to a Person (i) in reimbursement of Company expenses, (ii) in payment of any fee, and (iii) in payment of the principal of or interest on any loans made by that Person to the Company. An Economic Interest does not grant any non-economic rights in respect of the Company, including without limitation, participating in the management, control, or operation of the Company or its business, acting for the Company, binding the Company under agreements or arrangements with third parties, voting on Company matters, or receiving or reviewing Company books, records, reports, or other information.

"*Electronic Transmission*" is defined in Section 13.6(b).

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended.

"*FINRA*" means the Financial Industry Regulatory Authority.

"*Indemnitee*" is defined in Section 5.11(c).

"*Limited Liability Company Interest*" means a Person's Economic Interest and, if that Person is a Member or Principal, that Person's rights and powers — in that Person's capacity as a Member or Principal, as applicable — under this Agreement and where applicable, the Act, subject to all liabilities and obligations of that Person under this Agreement and under applicable law.

"*Majority in Interest*" means a Percentage in Interest of such group or class of Members where the required fraction or percentage of Units is at least 50.1% of such Members' Units.

"*Manager*" means Appian Fund Management Company, LLC, a Delaware limited liability company.

"*Manager Affiliates*" is defined in Section 5.9.

"*Members*" means (i) A Person who has made a Capital Contribution to the Company and in exchange has been issued Units by the Company and admitted as a member of the Company or (ii) an assignee of a Person described in clause (i) who has been admitted as a substitute member in accordance with this Agreement.

"*Non-Affiliated Member*" means each Member that is not a Manager Affiliate.

"*Organizational Expenses*" is defined in Section 9.1(c).

"*Percentage in Interest*" means a specified fraction or percentage in interest of the Members shall mean Members whose Units collectively equal or exceed the required fraction or percentage of the Units of all Members.

"*Person*" means a natural person, proprietorship, trust, estate, partnership, joint venture, association, limited liability company, corporation, or other entity.

"*Principals*" means J. Patrick Barry, James Flanigan and John Wagner.

"*Profit or Loss*" means an amount computed for each Accounting Period as of the last day thereof that is equal to the Company's net taxable income or net taxable loss for such Accounting Period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profit or Loss pursuant to this Agreement shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Profit or Loss pursuant to this Section shall be subtracted from such taxable income or loss;

(c) Gain or loss resulting from any disposition of a Company asset with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Adjusted Asset Value of the asset disposed of rather than its adjusted tax basis;

(d) The difference between the gross fair market value of all Company assets and their respective Adjusted Asset Values shall be added to such taxable income or loss in the circumstances described in the definition of Adjusted Asset Value;

(e) Items which are specially allocated pursuant to *Appendix II* or as required by applicable Treasury Regulations shall not be taken into account in computing Profit or Loss; and

(f) The amount of any deemed gain or deemed loss on any securities distributed in kind shall be added to or subtracted from (as the case may be) such taxable income or loss.

"*Regulatory Allocations*" is defined in *Appendix II*.

"*Representative* or *Representatives*" means a Person's shareholders, principals, directors, officers, employees, members, managers, partners, agents, representatives and attorneys-in-fact.

"*Related Entity*" is defined in Section 5.9.

"*Securities Act*" means the Securities Act of 1933, as amended.

"*Subscription Agreement*" means, as to any Member, the subscription agreement between such Member and the Company in connection with its purchase of Units of the Company.

"*Targets*" means Constance Therapeutics, Inc., a Delaware corporation, and Ondello Inc., a Delaware corporation.

"*Tax Distribution*" is defined in Section 7.4.

"*Tax Payments*" is defined in Section 7.7(a).

"*Term*" is defined in Section 3.1.

"*Treasury Regulations*" means the Income Tax Regulations promulgated under the Code, as such Regulations may be amended from time to time (including corresponding provisions of succeeding Regulations).

"*Unit*" means a fractional part of all of the Company's issued and outstanding Limited Liability Company Interests and includes all types and classes or series of Limited Liability Company Interests.

APPENDIX II

Appian Two, LLC

REGULATORY AND TAX ALLOCATIONS

The provisions of this Appendix II are included in order to enable the Company to comply with the requirements of Treasury Regulations Section 1.704-1(b)(2)(iv) and shall be applied and interpreted accordingly.

Regulatory Allocations.

(1) If a net decrease occurs in "Company Minimum Gain" (which shall have the meaning attributed to "partnership minimum gain" as defined in Section 1.704-2(b)(2) of the Treasury Regulations) during any Company fiscal year or other period, each Member shall be specially allocated items of income and gain for such fiscal year or other period to the extent, in the manner, and at the time required under Section 1.704-2(f) or Section 1.704-2(i)(4) of the Treasury Regulations. This provision is intended to comply with the minimum gain chargeback requirements under Section 1.704-2(f), and the partner nonrecourse debt minimum gain chargeback requirements under Section 1.704-2(i)(4), of the Treasury Regulations and shall be interpreted consistently with such intent.

(2) Any partner nonrecourse deductions (or nondeductible expenditures under Section 705(a)(2)(B) of the Code) for any fiscal year or other period shall be allocated to the Member that made, or guaranteed or is otherwise liable with respect to, the loan to which such partner nonrecourse deductions or nondeductible expenditures are attributable in accordance with the principles under Section 1.704-2(i) of the Treasury Regulations.

(3) If any Member unexpectedly receives any adjustments, allocations, or distributions described in Sections 1.704-1(b)(2)(ii)(d)(4), (5), or (6) of the Treasury Regulations which causes or increases a negative balance in such Member's adjusted Capital Account (as defined by or within the meaning of Treasury Regulations Section 1.704-2(b)(2)(ii)(d)), then such Member shall be specially allocated items of Company income and gain in an amount and manner sufficient to eliminate, to the extent required by such Treasury Regulations, such Member's deficit in its adjusted Capital Account as quickly as possible. This provision is intended to constitute a qualified income offset within the meaning of Section 1.704-1(b)(2)(ii)(d) of the Treasury Regulations and shall be interpreted consistently with such intent.

(4) If the Company makes an election under Section 754 of the Code, to the extent an adjustment to the Adjusted Asset Value of any Company asset pursuant to Section 734(b) of the Code is required pursuant to Section 1.704-1(b)(2)(iv)(m) of the Treasury Regulations to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases basis) or loss (if the adjustment decreases basis). Such gain or loss shall be allocated specially to the Members in a manner consistent with the manner in which Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(5) No allocation of loss or deduction shall be made to any Member if, as a result of such allocation, such Member would have an adjusted Capital Account deficit at a time when another Member has a positive Capital Account balance. Any such disallowed allocation shall be made to the Members entitled to receive such allocation under Sections 1.704-1 and 1.704-2 of the Treasury Regulations in proportion to their respective positive Capital Account balances. The allocations set forth in these sections (1) through (6) (the "*Regulatory Allocations*") are intended to comply with certain requirements of the Treasury Regulations including Sections 1.704-1 and 1.704-2 of the Treasury Regulations. The Regulatory Allocations shall be taken into account in allocating Profit, Loss and other items of income, gain, loss and deduction among the Members so that to the extent possible, the net amount of allocations contained in this Agreement, including the Regulatory Allocations, shall equal the net amount that would have been allocated to each Member had the Regulatory Allocations not occurred, and the Manager shall take account of the fact that certain of the Regulatory Allocations will occur at a period in the future in applying these sections. The Regulatory Allocations may not be consistent with the manner in which the Members intend to divide Company distributions. Accordingly, the Manager is authorized to cause the Company to allocate future Profits, Losses, and other items among the Members so as to prevent the Regulatory Allocations from distorting the manner in which Company distributions will be divided among the Members pursuant to this Agreement to the extent permitted under the Treasury Regulations.

Tax Allocations

(1) If additional Members are admitted to the Company on different dates during any fiscal year or other period, the Profit or Loss allocated to the Members for such fiscal year or other period shall be allocated during such fiscal year in accordance with Section 706 of the Code using a proration method unless the Manager determines another permitted convention would give materially more equitable results.

(2) For purposes of determining the Profit, Loss, or any other items allocable to any period, Profit, Loss, and any other items shall be determined on a daily, monthly, or other basis, as the Manager shall determine using any permissible method under Section 706 of the Code and the Treasury Regulations thereunder.

(3) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profit or Loss, as the case may be, for the fiscal year or other period.

(4) Income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted tax basis of such property to the Company for federal income tax purposes and its Adjusted Asset Value. The Manager shall make any elections or other decisions relating to such allocations in any manner that reasonably reflects the purpose and intention of this Agreement. Allocations pursuant to this provision are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or his share of Profit or Loss or distributions pursuant to any provision of this Agreement. Except as otherwise set forth in this Agreement or required by the Code or the Treasury Regulations, all items

of income, gain and loss for federal and state income tax purposes shall be allocated in accordance with the corresponding book income, gain and loss.

Schedule A Schedule of Members

[On file with the Company]

PART I

ATTESTATION TO RECEIPT AND REVIEW OF TARGET DISCLOSURES

BY EXECUTING THE GLOBAL SIGNATURE PAGE IN PART J BELOW, THE SUBSCRIBER ACKNOWLEDGES AND ATTESTS THAT IT HAS BEEN FURNISHED AND HAS CAREFULLY READ THE CONFIDENTIAL TARGET DISCLOSURES PROVIDED WITH THIS SUBSCRIPTION BOOKLET, AS AMENDED AND SUPPLEMENTED THROUGH THE CLOSING DATE OF THE SUBSCRIBER'S SUBSCRIPTIONS.

INVESTMENT DISCLOSURES

INVESTMENT DISCLOSURES

CONSTANCE THERAPEUTICS, INC.

constance therapeutics

$3,600,000 shares of Series B Preferred Stock

This offering is being made by Constance Therapeutics, Inc., a Delaware corporation (the "**Company**"). We are offering for sale 1,522,914 shares of our Preferred Stock, $.00001 par value per share, at $2.3639 per share ("Shares"). The offering is made in reliance upon an exemption from registration under the federal securities laws provided by Rule 506 of Regulation D as promulgated by the United States Securities and Exchange Commission (the "**SEC**" or the "**Commission**") under the Securities Act of 1933, as amended (the "**Securities Act**" or the "**1933 Act**"). There is currently no public market for our preferred stock.

We expect the offering to commence on the date of this memorandum set forth below. The offering will terminate upon the earlier of (i) the sale of 1,522,914 shares of our preferred stock or (ii) September 20, 2017, unless terminated earlier, or extended for an additional ninety (90) days, in our sole discretion. The shares will be offered on a "best efforts," no minimum basis. There is no firm commitment by any person to purchase or sell the shares of preferred stock offered herein. The minimum investment is 42,303 shares, or $100,000, although we may, in our sole discretion, accept subscriptions for a lesser amount. We reserve the right to reject orders for the purchase of shares in whole or in part, and if a subscription is rejected the subscriber's funds will be returned without interest the next business day after rejection. The proceeds from the sale will be payable to us in cash. Upon receipt and acceptance of a subscription, the proceeds will be immediately deposited in a bank account of ours to be used as specified herein.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC" OR "COMMISSION") NOR ANY STATE SECURITIES ADMINISTRATOR HAS APPROVED OR DISAPPROVED THE SECURITIES OFFERED HEREIN NOR HAS THE COMMISSION OR ANY STATE SECURITIES ADMINISTRATOR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURES CONTAINED IN THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM OR THE MERITS OF AN INVESTMENT IN THE SECURITIES OFFERED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE 1933 ACT, OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED IN RELIANCE UPON CERTAIN EXEMPTIONS FROM REGISTRATION UNDER SUCH LAWS. SUCH EXEMPTIONS IMPOSE SUBSTANTIAL RESTRICTIONS ON THE SUBSEQUENT TRANSFER OF SECURITIES SUCH THAT AN INVESTOR HEREIN MAY NOT SUBSEQUENTLY RESELL THE SECURITIES OFFERED HEREIN UNLESS THE SECURITIES ARE SUBSEQUENTLY REGISTERED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

THE DATE OF THIS OFFERING MEMORANDUM IS JULY 13, 2017

CONDITIONS AND DISCLAIMERS

THE FOLLOWING STATEMENTS CONTAIN CONDITIONS IMPOSED UPON THE OFFERING OF SECURITIES HEREIN AND DISCLAIMERS REGARDING INFORMATION CONTAINED ELSEWHERE IN THIS MEMORANDUM, WHICH CONDITIONS AND DISCLAIMERS APPLY GENERALLY TO ALL REPRESENTATIONS AND STATEMENTS MADE IN THIS MEMORANDUM OR OTHERWISE. PROSPECTIVE SUBSCRIBERS ARE URGED TO REVIEW THE FOLLOWING CONDITIONS AND DISCLAIMERS CLOSELY AND TO DIRECT ANY QUESTIONS REGARDING THE SAME TO US OR TO HIS OR HER PERSONAL ADVISOR. ALL STATEMENTS, REPRESENTATIONS OR OTHER INFORMATION CONTAINED IN THIS MEMORANDUM OR OTHERWISE PROVIDED TO PROSPECTIVE SUBSCRIBERS ARE QUALIFIED IN THEIR ENTIRETY BY THE FOLLOWING CONDITIONS AND DISCLAIMERS.

THE SECURITIES DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, IN RELIANCE UPON THE EXEMPTIONS SPECIFIED IN SAID ACT, NOR HAVE THESE SECURITIES BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION SPECIFIED UNDER APPLICABLE STATE SECURITIES LAWS AND REGULATIONS.

A SUBSCRIBER MUST BEAR THE ECONOMIC RISK OF INVESTMENT IN THE SECURITIES OFFERED HEREIN. BECAUSE THE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SEC OR REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE, THE SHARES ISSUABLE HEREUNDER MAY NOT BE RESOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER FEDERAL AND APPLICABLE STATE LAW OR AN OPINION OF COUNSEL TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED. SEE "**RISK FACTORS**."

THIS OFFERING IS DIRECTED TO ACCREDITED INVESTORS AND UP TO 35 NON-ACCREDITED INVESTORS.

DELIVERY OF THIS MEMORANDUM TO ANYONE OTHER THAN A DESIGNATED OFFEREE OR INDIVIDUALS RETAINED BY THE OFFEREE TO ADVISE HIM OR HER WITH RESPECT TO THIS OFFERING IS UNAUTHORIZED AND MAY CONSTITUTE A VIOLATION OF FEDERAL AND STATE SECURITIES LAWS. ANY REPRODUCTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR ANY DISCLOSURE OF ITS CONTENTS, IN WHOLE OR IN PART, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY IS PROHIBITED.

EXCEPT AS OTHERWISE INDICATED, THIS MEMORANDUM SPEAKS AS OF ITS DATE OF ISSUE. NEITHER THE DELIVERY HEREOF, NOR ANY SALE MADE HEREUNDER, SHALL CREATE AN IMPLICATION THAT OUR AFFAIRS HAVE

CONTINUED WITHOUT CHANGE SINCE SUCH DATE.
THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREIN IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS UNLAWFUL OR UNAUTHORIZED.

EXCEPT AS SET FORTH ABOVE, NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, OTHER THAN THOSE WHICH MAY BE CONTAINED HEREIN. IF MADE, SUCH INFORMATION MUST NOT BE RELIED UPON.

NO STATEMENT CONTAINED HEREIN SHALL BE DEEMED TO MODIFY, SUPPLEMENT, OR CONSTRUE IN ANY WAY THE PROVISIONS OF ANY DOCUMENTS ATTACHED HERETO AS EXHIBITS OR LISTED HEREIN OR ANY OF THE LANGUAGE CONTAINED THEREIN. ANY STATEMENT MADE HEREIN WITH RESPECT TO ANY SUCH DOCUMENT IS QUALIFIED BY REFERENCE TO THE TEXT OF SUCH DOCUMENT.

PROSPECTIVE SUBSCRIBERS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, BUSINESS, OR TAX ADVICE. EACH PROSPECTIVE SUBSCRIBER SHOULD CONSULT HIS OWN ATTORNEY, BUSINESS ADVISER, OR TAX ADVISER CONCERNING LEGAL, BUSINESS, TAX, AND RELATED MATTERS RELATING TO THIS INVESTMENT.

THE SECURITIES ARE OFFERED SOLELY BY THIS MEMORANDUM AND ARE SUBJECT TO PRIOR SALE. WE RESERVE THE RIGHT, IN OUR DISCRETION, TO WITHDRAW OR MODIFY THIS OFFERING WITHOUT PRIOR NOTICE OR TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART OR TO ALLOT TO ANY PROSPECTIVE SUBSCRIBER A LESSER NUMBER OF SHARES THAN SOUGHT TO BE PURCHASED BY SUCH SUBSCRIBER.

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CAUTIONARY STATEMENT FOR PURPOSES OF THE SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

THIS MEMORANDUM MAY BE DEEMED TO CONTAIN "FORWARD-LOOKING" STATEMENTS. WE DESIRE TO TAKE ADVANTAGE OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND WE ARE INCLUDING THIS STATEMENT FOR THE EXPRESS PURPOSE OF AVAILING OURSELVES OF THE PROTECTIONS OF SUCH SAFE HARBOR WITH RESPECT TO ALL OF SUCH FORWARD-LOOKING STATEMENTS. EXAMPLES OF FORWARD-LOOKING STATEMENTS INCLUDE, BUT ARE NOT LIMITED TO (I) PROJECTIONS OF REVENUES, INCOME OR LOSS, EARNINGS OR LOSS PER SHARE, CAPITAL EXPENDITURES, GROWTH PROSPECTS, DIVIDENDS, CAPITAL STRUCTURE AND OTHER FINANCIAL ITEMS, (II) STATEMENTS OF PLANS AND OBJECTIVES OF OURS OR OUR MANAGEMENT OR BOARD OF DIRECTORS, INCLUDING THE INTRODUCTION OF NEW PRODUCTS OR SERVICES, OR ESTIMATES OR PREDICTIONS OF ACTIONS BY CUSTOMERS, SUPPLIERS, COMPETITORS OR REGULATING AUTHORITIES, (III) STATEMENTS OF FUTURE ECONOMIC PERFORMANCE AND (IV) STATEMENTS OF ASSUMPTIONS UNDERLYING OTHER STATEMENTS AND STATEMENTS ABOUT US OR OUR BUSINESS.

OUR ABILITY TO PREDICT PROJECTED RESULTS OR TO PREDICT THE EFFECT OF ANY LEGISLATION OR OTHER PENDING EVENTS ON OUR OPERATING RESULTS IS INHERENTLY UNCERTAIN. THEREFORE, WE WISH TO CAUTION EACH READER OF THE MEMORANDUM TO CAREFULLY CONSIDER SPECIFIC FACTORS, INCLUDING COMPETITION FOR PRODUCTS, SERVICES AND TECHNOLOGY; THE UNCERTAINTY OF DEVELOPING OR OBTAINING RIGHTS TO NEW PRODUCTS, SERVICES OR TECHNOLOGIES THAT WILL BE ACCEPTED BY THE MARKET; THE EFFECTS OF GOVERNMENT REGULATIONS AND OTHER FACTORS DISCUSSED HEREIN BECAUSE SUCH FACTORS IN SOME CASES HAVE AFFECTED; AND IN THE FUTURE (TOGETHER WITH OTHER FACTORS) COULD AFFECT, OUR ABILITY TO ACHIEVE OUR PROJECTED RESULTS AND MAY CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED HEREIN.

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INTRODUCTION

Description of the Business

Constance Therapeutics is a vertically integrated medicinal cannabis company producing standardized and science-based whole-plant cannabis extracts in California, and serves national and international patients who visit California to seek cannabis based solutions for serious cancers, auto-immune disorders, and other diseases and conditions.

Constance Therapeutics, Inc. was incorporated under the laws of the State of Delaware on May 14, 2015. The Company was approved to operate in the State of California on May 15, 2016 as a Corporation, having converted from a California LLC doing business as Goat Hill Farm IP Licensing Company, LLC. Goat Hill Farm IP Licensing Company, LLC was approved to do business in California in 2014.

The Company currently maintains offices in the State of California and a registered office in the State of Delaware. Our principal operations are located at 681 Howard Street, San Francisco, CA 94103. The telephone number at our principal executive offices is (844) 473-2522 and our toll-free number is (844) 4REAL-CBD. Our website address is www.constancecbd.com or also at www.constancetherapeutics.com. Information on our web site is not part of this memorandum.

The Offering

Securities Offered:	1,522,914 shares of Series B Preferred stock at $2.3639 per share of Constance Therapeutics, Inc., a Delaware C-Corporation (the "**Company**")
Fully Diluted Common Stock Outstanding (assuming the sale of all shares offered)*:*	Prior to the offering = 9,541,366 shares After the offering = 11,064,280 shares
Use of Proceeds:	The net proceeds of the offering, estimated at $3,495,000 (after deducting a $100,000 loan conversion and an estimated $5,000 in offering expenses) are expected to be used for working capital. See the section entitled "**Use of Proceeds**."
Risk Factors:	Purchase of the shares of common stock offered hereby involves substantial risks, including but not limited to, risks associated with the need for additional financing, a lack of profitability, our dependence upon key personnel and external competition, among others. See "**Risk Factors**."
No Market:	There is no market for our common stock and there can be no assurance that a market will develop.

Suitability Standards

An investment in our capital stock is suitable only for persons who have sufficient financial means to afford a total loss of their investment (see "**Risk Factors**") and who also have no need for liquidity with respect to their investment. Additionally, we will impose certain standards which prospective investors must meet in order to invest. These standards have been imposed to enable us to comply with our obligations under applicable federal and state securities laws. It should be noted that these suitability standards are minimum requirements for prospective investors and satisfaction of these requirements does not necessarily mean that the shares of our common stock are a suitable investment for a prospective investor.

The Company must reasonably believe that each such investor has sufficient financial means to afford a total loss of his investment and either alone or with his purchaser representative, has such knowledge and experience in financial and business matters that he is capable of adequately evaluating the merits and risks of the investment. Further, each investor must acquire the Shares for his own account and not for the account of others, for investment purposes only and not with a view to, or for, resale distribution or fractionalization thereof. The Shares may be sold to an unlimited number of so called "accredited investors" as defined in Rule 230.501 under Regulation D.

History of the Business

Constance Therapeutics was founded by Constance Finley in 2008 in compliance with Proposition 215, the governing body surrounding California's medicinal cannabis distribution. Constance Therapeutics has created a new category of whole-plant cannabis CBD and THC extracts that fills the gap between traditional pharmaceuticals and commonplace cannabis products, providing much needed additional treatment options to physicians and their patients. Constance Therapeutics' extracts are derived from fully trimmed, female unfertilized cannabis flowers of plants with known genetics using certified-organic, pharmaceutical-grade ethanol via a highly controlled, quantitatively-defined and patent-pending process that is based on scientific and engineering principles.

Our company has conducted several product and research studies in collaboration with our patients, physicians, and several Universities and Foundations to understand the efficacy of a wide range of cannabis strains in treating various serious cancers and conditions. Based on these results, Constance Therapeutics has created patent-pending formulations, and our cannabis formulations are offered in sublingual, vaping and topical delivery formats.

For the first approximate 5 years of business, all patients were physician referred and in fact – the first referring physician was Constance Finley's personal doctor. While Constance Therapeutics continues to work with many referring physicians, many patients now come directly to seek product, and we have served over 3000 patients since our foundation. Our cannabis extracts are available exclusively for therapeutic use and can only be purchased by

registered California patients. Constance Therapeutics patients are given access to our experienced cannabis coaches and receive comprehensive patient support while they are using our products. Now headquartered in San Francisco, California, the company recently received the first openly transparent manufacturing permit granted to a cannabis extraction company.

Business Plan

Constance Therapeutics intends to grow our business in California and other emerging markets by expanding our product and research focus, in collaboration with best of class licensing and distribution partners. Our patent-pending process and compositions were originally filed in 2015, and we expect their full resolution no later than Q2 2018. Once approved, these will offer the company protections for current and future formulations and product releases.

Our growth objectives are as follows:

A) In California, we are currently selling only direct to patient, but we plan to expand our distribution by partnering with select medicinal focused dispensaries and delivery services. Through these channels, we plan to release 600mg potency bottle levels and the medicinal vaporizer kits and cartridges through select distributors, dispensaries and delivery services in the immediate term, and have secured our first distribution license with Octavia Wellness, a company focused on cannabis solutions for seniors. These channels will not only serve as a new point of sale, but will also create upsell potential for patients seeking higher potency CBD and

B) THC extracts as we will continue to offer all bottle sizes above the 600mg level (per product list below) only via the direct to patient option.

C) Our formulations and ratios may serve a wide range of additional serious conditions, and we will continue to release new formulations and condition specific applications, based on our ongoing research and product studies.

D) Expand our product offering to new categories such as topicals, serums, deodorants, pet products, etc. Constance Therapeutics will continue to release focused products that have been informed by true medicinal interests and driven by scientific data, such as a deodorant which may be used by breast cancer patients or any individual concerned by chemical toxins prevalent in mass market deodorant lines.

E) Expand our geographic brand awareness and access through licensing partnerships with top tier and values aligned brands and local permit holders in various states, territories, and countries. We have a healthy funnel of opportunities in emerging markets in the United States in Florida, Nevada, New York, Massachusetts, Illinois, Arizona, Oregon, and Hawaii, and in global markets including Canada, Israel, Australia, Netherlands, Spain, and South Africa.

F) Constance Therapeutics will expand our patient support solution to include technology support and personalized patient dashboard. This feature will allow us

to scale patient support solution and give patients the opportunity to access educational feeds, cannabis knowledge from industry and medical experts, log data and personal experiences, browse product specific information, and seek insight from other patients. It will also serve as an additional monetization channel as it will be fee-based, and all licensees as part of their normal course of business will feed new patients into this solution.

OPERATIONS

The Company's Products and Services

Product / Service	Description	Current Market
"39k" Protocols	Standardized and patent-pending cannabis extract formulations, sold as pre-defined regimens scoped to last 90 days total, delivered sublingually. Protocols include the following potency levels: 1 x 3000mg 2 x 18,000mg Vape Battery Pack High CBD 1g cartridge Available in 2 ratios (CBD:THC): 1:1 and 1:4	Patients with late stage cancer and auto-immune patients. For cancer, emerging research indicates types potentially most responsive to treatments involving cannabinoid therapy include breast, colon, liver, and brain.
Cannabis Extracts	Standardized and patent-pending cannabis extract formulations, delivered sublingually. Available in 5 ratios (CBD:THC): 20:1, 1:1, 1:4, 4:1, THC Rich Available in the following potency levels/bottle sizes: 600mg, 3000mg, 6000mg, 9000mg, 18,000mg	Patients with a wide range of disease states including Alzheimer's, epilepsy, Lyme disease, chronic pain, rheumatism, multiple sclerosis, anxiety disorders, asthma, diabetes, and various other auto-immune and cancer states. All patients that transition from the Protocols to an ongoing maintenance late stage cancer and auto-immune patients.

Medicinal Vaporizers	Standardized and patent-pending cannabis extract formulations which contain a viscosity-reducing agent and blend of essential oils that create a calm, soothing inhale and potentially improve the bioavailability of cannabinoids and terpenes were developed specifically to provide patients with options that do not introduce solvents or harmful additives, and prevent toxicity from hardware devices (vaporizers) when used in approved hardware. Available in 5 formulations: (CBD:THC): THC Rich Sativa, THC Rich Indica, THC Rich Hybrid, 2:1, CBD Rich Available in the following cartridge sizes: .5g and 1g	Patients with a wide range of disease states including Alzheimer's, epilepsy, Lyme disease, chronic pain, rheumatism, multiple sclerosis, anxiety disorders, asthma, diabetes, and various other auto-immune and cancer states.
Patient Consultations	All patients are given access to a dedicated "cannabis coach" or patient support team member who is made available throughout the patient's tenure with the company in order to extend extensive support, product knowledge, and troubleshooting advice throughout.	Patients with a wide range of disease states including Alzheimer's, epilepsy, Lyme disease, chronic pain, rheumatism, multiple sclerosis, anxiety disorders, asthma, diabetes, and various auto-immune and cancer states.

In California, we are currently selling only direct to patient, but we plan to release 600mg potency bottle levels and the medicinal vaporizer kits through select dispensaries and delivery services in the immediate term, and have secured our first distribution license with Octavia Wellness, a company focused on cannabis solutions for seniors.

Outside of California, all products and services are made available to licensing partners.

Competition

Constance Therapeutics' primary competitors are Aunt Zelda's, CannaKids, Care by Design, Treatwell, Miracle Releaf, Prana, and Curista. Additional competitors include those

companies that claim to have a medicinal focus in the post adult-use legal market in California wherein companies will now need to decide whether they are pursuing adult-use or medicinal consumers (pre-2018, all were perceived as "medicinal").

Constance Therapeutics was founded in advance of these companies. Many of these companies are focused both on recreational and medicinal patients given the to-date market flexibility in California, and thus some have been more widely distributed and have established more traction with consumers. Constance Therapeutics has maintained a heightened standard and as the medicinal market becomes more delineated, we believe that we will continue to lead the medicinal market.

Constance Therapeutics makes CBD and THC cannabis extracts available in saturated or highly potent quantities (measured by mg level) as compared to our competitors (who on average top at 300mg in dispensaries, with some going as high as 1000mg direct to patient). Our pricing is considered high in some cases based on the fully baked retail price-points, but in reality, upon assessing and breaking down the cost to individual mg cannabinoid content (our top potency is 18,000mg), we are in line with industry standards which average at $.20 per mg across our competitors in California, and Constance Therapeutics cannabinoid cost ranges between $.18 and $.26 per mg, at an average of $.22.

Additionally, many patients visit California to obtain their medical recommendation and to procure cannabis products. As additional states and jurisdictions legalize, new companies may form in those markets or licensing & distribution partnerships may develop. We believe that Constance Therapeutics is well positioned to grow in all emerging markets due to our first in space positioning in California, our long track record in producing high quality CBD and THC extracts, and based on our having established method and composition patents. To forward that success in and outside of California, we will continue to partner with medical experts and best of class operators to extend our brand and our intellectual property.

Supply Chain and Customer Base

Our cannabis raw materials are cultivated by a secure network of experienced and multi-generational farmers utilizing only sustainable and organic practices. Each cultivar accesses standardized genetic strains that Constance Therapeutics provided based on our extensive research and historical utilization and reported data. Constance Therapeutics provides comprehensive guidance in respect to all practices undertaken by our cultivar network including the use of nutrients and soil. Raw materials and finished products are tested to insure cannabinoid and terpene profile, potency, microbiological (molds), and residual solvent content through respected third-party laboratories including Excelsior Analytics and Sonoma Labs.

In the compositions of some of our formulations and R&D products, we source organic materials including ethanol, essential oils and vitamin E from: Alchemical Solutions, Ananda Apothecary, Jedwards, Mountain Rose Herb, and Nutralliance.

We utilize packaging and supplies from: Amazon, Bel-Art, Clarke Container, Freund, Glass Bottle Outlet, Medi-Dose, Sheet Labels, and U-Line.

We utilize lab and extraction equipment from: Across International, Blueair, Buchi, Corning, Daigger Scientific, Gavita, MedLab Supply, Ohaus, Shimadzu, and VWR.

Our vape batteries and hardware are supplied through a white-labeled partnership with Jupiter Research, LLC for which the hardware is branded with our logo.

Our customers include patients with a wide range of diseases and serious conditions including but not limited to Alzheimer's, epilepsy, Lyme disease, chronic pain, rheumatism, multiple sclerosis, anxiety disorders, asthma, diabetes, and various auto-immune and cancer states. Just under half of our patients are referred by our physician network, and just over half of our patients discover Constance Therapeutics based on their own research and discovery.

Intellectual Property and Research & Development

Patent Applications

The Company is currently prosecuting two families of patent applications, including U.S. applications and PCT (international) applications[2]. These pending applications cover Constance Therapeutics' cannabis oil compositions and methods for making the compositions, as detailed below:

	Country	**Appl. No. (Filing Date)**	**Status**	**Assignee**
METHODS FOR PREPARATION OF CANNABIS OIL EXTRACTS AND COMPOSITIONS	US (provisional)	61/996,993 (1/31/15)	*Expired*	Constance Therapeutics, Inc.
	US (provisional)	62/259,539 (11/24/15)	*Expired*	Constance Therapeutics, Inc.
	PCT	PCT/US2016/015633 (1/29/16)	***Pending***	Constance Therapeutics, Inc.
	US	15/010,631 (1/29/16)	***Pending***	Constance Therapeutics, Inc.
CANNABIS OIL COMPOSITIONS	US (provisional)	62/259,549 (11/24/15)	*Expired*	Constance Therapeutics, Inc.

[2] *Patent prosecution is the process of filing a patent application and pursuing protection for the patent application with the patent office.*

	Country	Appl. No. (Filing Date)	Status	Assignee
	PCT	PCT/US2016/063662 (11/23/16)	***Pending***	Constance Therapeutics, Inc.

Real Property

The Company owns or leases the following real property:

Property Address	Own or Lease	Description
981 Howard Street, San Francisco, CA 94103	Lease	Lease agreement between Bruschera / Galliano, LLC, a California limited liability corporation, and Constance Therapeutics, Inc. Term of lease agreement continues until February 28, 2019.
2102 Business Center Drive, Suite 210-D, Irvine, CA 92612	Lease	Lease agreement between Premier Office Centers I, LLC, a California limited liability corporation, and Constance Therapeutics, Inc. Term of the lease agreement continues until October 31, 2017.

Governmental/Regulatory Approval and Compliance

The Company currently maintains offices in the State of California and a registered office in the State of Delaware. The Company has qualified to do business in the States of California and Delaware. The Company is in good standing with the State of Delaware and the State of California

For Federal and State income tax purposes, the Company maintains a fiscal year for the period beginning August 1 and commencing July 31 of the following year. The Company has completed audits from the Internal Revenue Service for its tax returns since inception to June 30, 2016 (the end of the Company's 2016 fiscal year).

The Company takes needed steps to operate in full compliance with all state and local laws which differ from state to state. The federal government under the 'Cole Memo' has

implemented a policy of not interfering with companies that operate within the laws of their local jurisdictions. As we expand our business into multiple new states beyond California, we will need to ensure we continue to abide by all local laws as may be implemented from state to state.

The Company has studied in great detail and in consultation with attorneys, the current proposed cannabis regulations. The state of California has proposed several standards which, if adopted, may influence Constance Therapeutics packaging, manufacturing, and patient delivery processes. These regulations are currently in committee and not yet fully codified. The final regulations will be made public no later than August 30, 2017. Constance Therapeutics has supplied extensive commentary and proposed language to the representatives at the Bureau of Cannabis Regulations and other departments both in public and private forums, including closed door meetings with Lori Ajax, the Bureau Chief. We do not believe that any of the proposed regulations would gravely redefine our processes, but we can foresee some nominal business shifts come into play. Additionally, these regulations are complicated and dynamic, which imposes a legal cost of compliance upon us.

The most notable restrictions which could be proposed by a regulatory body that may affect our business include: a 1000mg cap for "tinctures"; jurisdictional delivery limitations (direct to patient access limited to permitted county or city limits); and qualifications for volatility of ethanol-based cannabis extraction.

Affiliate

Goat Hill Farm is a California Nonprofit Mutual Benefit Corporation (the "*CNBM*") organized on August 23, 2013 and certified to perform business in California on September 3, 2013. The CNMB was organized solely for the purpose of compliance with SB420, a California legislative statute which went into effect on January 1, 2004 as California H&SC 11362.7-.83 (the "*Statute*"). One aspect of SB420 broadens Prop. 215 to allow patients to form medical cultivation "collectives" or "cooperatives". Constance Finley has operated the CNMB as a compliant "collective" per the Statute since its commencement of operations.

The CNMB has a single director (Constance Finley) and is not permitted under Nonprofit Corporation Law to have voting members. Any member of the CNMB is a patient of the collective and they hold no rights or power over the CNMB.

The intention of Constance Therapeutics is to collapse the CNMB into Constance Therapeutics as soon as the laws of California allow for for-profit entities to perform cannabis-related business in the State of California; or, in such case that the CNMB must remain the primary entity to comply with regulation, all capital and ownership rights of the CNMB will be transferred pari passu. Per the most current guidance released by the State, the date of collapse should be in early/mid 2018. At that time, all assets and liabilities of the CNMB will be transferred into Constance Therapeutics via a transfer pricing agreement and the entity will be wound-down, or as otherwise previously stated in this section.

All Intellectual Property was earlier transferred to Constance Therapeutics and is owned in Constance Therapeutics' named.

Litigation

The Company has been named in two legal filings:

- Bird Life Sciences Consulting BV, Plaintiff, vs, Constance Therapeutics Inc., and Constance Finley, Defendants; and
- Steve Koskie and Shelia Hoyt, Plaintiffs, vs. Constance Therapeutics Inc., and Constance Finley, Defendants.

USE OF PROCEEDS

We intend to use the net proceeds of this offering to fund various aspects of the business, some already in operation and others specified to help grow the business. These aspects include, but are not limited to, the repayment of debts, general working capital to fund operations and expansion, capital expenditures including equipment, marketing and advertising, and hiring additional personnel. The table below depicts how we plan to utilize the proceeds in the event that 25%, 50%, 75% and 100% of the shares in this offering are sold; however, the amounts actually expended for working capital as well as other purposes may vary significantly and will depend on a number of factors, including the amount of our future revenues and the other risk factors. Accordingly, we will retain broad discretion in the allocation of proceeds of this offering.

	1,522,914 Shares to be Sold for Proceeds of $3,600,000			
Purpose:	**25%**	**50%**	**75%**	**100%**
Offering Expenses	$5,000	$5,000	$5,000	$5,000
Repayment of Liabilities	350,000	450,000	500,000	600,000
General Working Capital	285,000	560,000	810,000	1,275,000
Capital Expenditures	155,000	650,000	900,000	1,050,000
Operating Expenses	105,000	135,000	485,000	670,000
Net Proceeds	**$900,000**	**$1,800,000**	**$2,700,000**	**$3,600,000**

DIRECTORS, OFFICERS AND EMPLOYEES

Control/Major Decisions

Decision	Person/Entity
Issuance of additional securities	Board of Directors
Incurrence of indebtedness	Chief Executive Officer/President (as authorized by the Board of Directors)
Sale of property, interests or assets of the Company	Chief Executive Officer/President (as authorized by the Board of Directors)
Determination of the budget	Chief Executive Officer/President (as authorized by the Board of Directors)
Determination of business strategy	Chief Executive Officer/President (as authorized by the Board of Directors)
Dissolution of liquidation of the Company	Board of Directors

THE COMPANY'S EXECUTIVE OFFICER AND MAJORITY STOCKHOLDER MAY SIGNIFICANTLY INFLUENCE MATTERS TO BE VOTED ON AND HER INTERESTS MAY DIFFER FROM, OR BE ADVERSE TO, THE INTERESTS OF OTHER STOCKHOLDERS.

Accordingly, the Company's executive officer and majority stockholder possesses significant influence over the Company on matters submitted to the stockholders for approval, including the election of directors, mergers, consolidations, the sale of all or substantially all of the Company's assets, and also the power to prevent or cause a change in control.

Employees

The Company currently has 10 employees, all located in California.

Backgrounds of notable team members are as follows:

Constance Finley, Founder and CEO
Entrepreneur, educator, and cannabis industry pioneer, Constance founded her eponymous company after discovering cannabis's medicinal value in managing the rare autoimmune disease that had previously caused her debilitating symptoms. Finding no reputable sources of information and product, Constance used herself as patient zero – and has since developed best-in-class, proprietary cannabis extracts and innovative patient coaching methods that have set the industry standard.

As CEO of Constance Therapeutics, Constance Finley has achieved many other firsts: pioneering the 4:1 ratio broadly adopted for cancer in the industry, and later the 1:1 ratio now pervasive in the industry; leading the first SXSW panel on cannabis; advising local government on cannabis policy; and – most recently – receiving patents for her product extraction process and formulations, and executing global licensing agreements for the brand.

Constance has a long history of addressing formidable issues by approaching them from a scientific as well as a humanist perspective. She began her career in the social sciences, then moved into the finance space and created a groundbreaking system for using tax credits to create much-needed low-income housing. Constance received an MA in Clinical Psychology from USF, and a BA in Clinical Psychology and Eastern Studies from Lone Mountain College. She also completed the graduate coursework in tax law, cost and financial accounting and finance in the MBA Finance program at Golden Gate University.

Joyce Williams, Chief Revenue Officer
Joyce is a sales and business development leader with 15+ years of experience working in the technology, music, and cannabis sectors. Early in her career, Joyce founded and ran MIN Entertainment, an artist management and consulting firm that focused on opportunities for musicians in the emerging technology space. She has since led licensing and partnership efforts for multiple companies, from startups to large brands including Zazzle. A close family member's cancer diagnosis caused Joyce to pivot into the medicinal cannabis space; she has since participated in an Emerald Cup winning cultivation project, served as Co-Chair of the Sonoma County chapter of Women Grow, and played advisory roles for various cannabis companies before coming on board as CRO of Constance Therapeutics. Joyce received her B.A. from Smith College.

Scott Williamson, VP of Finance & Operations
Scott graduated from Washington & Lee University earning degrees in both Accounting and Business Administration. He started his professional career with Deloitte in New York City, providing audit, accounting, and advisory services to global financial services clients while also earning his CPA license. Upon moving to San Francisco in 2010, he focused on accounting and financial services for Private Equity and Venture Capital funds, helping to guide clients through the complex regulatory landscape. Turning from the financial service industry, Scott consulted for early-stage technology companies as a partner to help build the financial, operational, and reporting foundation for a scalable business. He took an offer to work for one of his clients, Lyft, and helped grow them into one of the dominant players in the ride-sharing vertical. Venturing into the cannabis industry, he brings over a decade of operational experience to this burgeoning industry.

Karen Salcedo, QA/QC Manager
Karen is an expert in the combined worlds of science, medicine and patient care. She began her career as an administrator in Pediatrics Medical Genetics at UCSF; became a lab supervisor for the Histopathology Reference Laboratory; and counseled patients through the process of accessing affordable care at Genentech. She decided to shift her focus to the medicinal

cannabis space after a loved one was diagnosed with kidney disease and was able to treat their symptoms using cannabis. Karen received her B.A. in Biology from San Francisco State University.

Ryan Taché, Lab Manager

Before his role as Constance Therapeutics' lab manager, Ryan apprenticed at Kaiser Permanente in the OPIS Dept. (Orthopedics, Podiatry, Injury and Sports Medicine) and did extensive editorial work and market research for Pearson Education in the Applied Sciences Division. He is a certified phlebotomy technician as well as a certified Food Safety Manager. Ryan received a B.A. with Honors in Biology with an Emphasis in Clinical Laboratory Sciences from San Francisco State University; currently, he is pursuing a Master's Degree in Microbiology, Cell Sciences with an Emphasis in Biochemistry through the University of Florida.

CAPITALIZATION AND OWNERSHIP

Capitalization Table

Prior to and immediately following the offering, the Company has authorized, issued and outstanding, the following capital stock:

	Prior to Offering:		Immediately following offering:	
	Authorized	Issued and Outstanding (or reserved for Common Stock Options)	Authorized	Issued and Outstanding (or reserved for Common Stock Options)
Common Stock	30,000,000	7,664,474	30,000,000	7,664,474
Series A Preferred	1,314,465	1,151,892	1,314,465	1,151,892
Series B Preferred	0	0	1,522,914	0
Common Stock Options	1,323,529	1,323,529	1,759,439	1,759,439
Totals	**32,637,994**	**10,139,895**	**34,596,818**	**10,575,805**

The Company has the following debt outstanding:

Type of debt	Loan for working capital
Name of creditor	Big Rock, LLC
Amount outstanding	$250,000 as of April 30th , 2017
Interest rate and payment schedule	2.50% with six (6) monthly payments of $42,276.41 beginning October 1, 2017
Amortization schedule	Yes
Maturity date	March 1, 2018

Type of debt	Loan for raw material

Name of creditor	Marissa McConnell
Amount outstanding	$182,283.48 as of April 30th, 2017
Conversion to Series B Preferred Stock	Creditor will convert $100,000 of the loan to Series B Preferred Stock.
Interest rate and payment schedule	No interest charged; $6,000 per month to be paid in equal installments until loan repaid.
Amortization schedule	No
Maturity date	None, but projected to be August 1, 2018

Related Person Transactions

The Company has conducted the following transactions with related persons:

Loan

Related Person	Constance Finley
Relationship to the Company	CEO & Founder
Amount outstanding	$75,000 as of May 30th, 2017
Benefits or compensation received by related person	None
Benefits or compensation received by Company	Working capital loan to the Company

Expenses

As of the date of this memorandum, the Company is directly indebted to Employees and the Officer as listed below:

- Certain employees of the company are due back pay. The gross amount of back pay, including payroll and all required taxes, totals $42,480.79.
- The sole Officer of the Company, Constance Finley, is due back pay. The gross amount of back pay, including payroll and all required taxes, totals $20,192.34.
- Certain employees of the Company are due expenses, incurred in the normal course of business, to the total of $9,816.03.

- The sole Officer of the Company, Constance Finley, is due expenses, incurred in the normal course of business, which totals $8,746.21.

Not currently presented on the Balance Sheet include unsettled expenses incurred by Constance Finley (the "Founder") in the course of the business of the Company of approximately $300,000. These expenses include various charges, rent, and repairs to and existing from the existence of the Company and its operation within the Founder's home. Necessary documentation will be presented and recorded on the Company's balance sheet upon review and approval by the Company's accounting firm, DZH Philips LLP.

RISK FACTORS

The Company has identified risks that are specific to its business and its financial condition, as detailed below. The company is still subject to all the same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently more risky than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

Risks Related to the Company's Business and Industry

Our business has posted net operating losses since operational inception.
On a consolidated basis, the Company has incurred cumulative net losses of -$1,613,877 since its commencement of operations, comprised of net income from Fiscal Year ("FY") 2014 of $71,120, net income for FY 2015 of $335,723, consolidated net loss for FY 2016 of -$234,574, and a cumulative net loss for FY-to-Date 2017 of -$1,806,146. As discussed above in "Affiliate", the net income specific to the Affiliate in FY 2014 was a net income of $71,120, a net income for FY 2015 of $355,723, a net income for FY 2016 of $476,823, and a net income for FY-to-Date 2017 of $305,593. The adverse effects of a limited operating history include reduced management visibility into forward sales and regulatory developments, marketing costs, and customer acquisition, which could lead to missing targets for achievement of profitability.

We need additional capital to expand operations; if we do not raise additional capital, we will need to curtail our expansion plans.
Since our inception, we have financed our operations through revenue and through the sale of capital stock (specifically, the Series A Preferred Stock offering). As of April, 2017, we had approximately $40,000 in cash. If we fail to raise the minimum or maximum or to execute on our business plan successfully, we will need to raise additional money in the future. Additional financing may not be available on favorable terms, or at all. The exact amount of funds raised, if any, will determine how quickly we can reach profitability on our operations. No assurance can be given that we will be able to raise capital when needed or at all, or that such capital, if available, will be on terms acceptable to us. If we are not able to raise additional capital, we

will likely need to curtail our expansion plans or possibly cease operations.

We may not be able to effectively manage growth.
The Company expects its growth to place a substantial strain on its managerial, operational and financial resources. The Company cannot assure that it will be able to effectively manage the expansion of its operations, or that its facilities, systems, procedures or controls will be adequate to support its operations. The Company's inability to manage future growth effectively would have a material adverse effect on its business, financial condition and results of operations.

Our management may not be able to control costs in an effective or timely manner.
The Company's management has used reasonable efforts to assess, predict and control costs and expenses. Implementing our business plan may require more employees, capital equipment, supplies or other expenditure items than management has predicted. Likewise, the cost of compensating employees and consultants or other operating costs may be higher than management's estimates, which could lead to sustained losses.

Our business depends on developing and maintaining productive relationships with our vendors and key partners.
We depend on our doctors and vendors to provide consultations and quality products at favorable prices. Many factors outside our control, including but not limited, to product shortages, labor disputes, or transportation disruptions, could adversely affect our partner's ability to deliver to customer's quality products and services at favorable prices in a timely manner.

We operate in a highly competitive environment, and if we are unable to compete with our competitors, our business, financial condition, results of operations, cash flows and prospects could be materially adversely affected.
We operate in a highly competitive environment. Our competition includes all other companies that are in the business of medicinal cannabis. A highly competitive environment could materially adversely affect our business, financial condition, results of operations, cash flows and prospects. Industry consolidation may result in increased competition, which could result in a loss of customers or a reduction in revenue.

Some of our competitors have made or may make acquisitions or may enter into partnerships or other strategic relationships to offer more comprehensive services than they individually had offered or achieve greater economies of scale. In addition, new entrants not currently considered to be competitors may enter our market through acquisitions, partnerships or strategic relationships. We expect these trends to continue as companies attempt to strengthen or maintain their market positions. The potential entrants may have competitive advantages over us, such as greater name recognition, longer operating histories, more varied services and larger marketing budgets, as well as greater financial, technical and other resources. The companies resulting from combinations or that expand or vertically integrate their business to include the market that we address may create more compelling product and/or service offerings and may offer greater pricing flexibility than we can or may engage in business

practices that make it more difficult for us to compete effectively, including on the basis of price, sales and marketing programs, technology or service functionality. These pressures could result in a substantial loss of our customers or a reduction in our revenue.

Risks Related to Regulatory Landscape

California's evolving regulatory landscape presents complexities and potential market shifts for many operators. Constance Therapeutics has studied in great detail and in consultation with attorneys, the current proposed cannabis regulations. The state of California has proposed several standards which, if adopted, may influence Constance Therapeutics packaging, manufacturing, and patient delivery processes. These regulations are currently in committee and not yet fully codified. The final regulations will be made public no later than August 30, 2017. Constance Therapeutics has supplied extensive commentary and proposed language to the representatives at the Bureau of Cannabis Regulations and other departments both in public and private forums, including closed door meetings with Lori Ajax, the Bureau Chief. We do not believe that any of the proposed regulations would gravely redefine our processes, but we can foresee some nominal business shifts come into play.

Risks Related to Management and Personnel

The failure to attract and retain key employees could hurt our business

Our success also depends upon our ability to attract and retain highly qualified employees. Although the Company's current management team has extensive business background, their experience is in industries unrelated to our business. Our failure to attract and retain skilled management and employees may prevent or delay us from pursuing certain opportunities. If we fail to successfully fill management roles, fail to fully integrate new members of our management team, lose the services of key personnel, or fail to attract additional qualified personnel, it will be significantly more difficult for us to achieve our growth strategies and success.

Risks Related to this Offering

There is no firm commitment to purchase the shares of preferred stock being offered, and as a result initial investors assume additional risk.

This is a best-efforts offering of shares of our capital stock being conducted solely by certain members of our management. There is no commitment by anyone to purchase any of the shares being offered. We cannot give any assurance that any or all of the shares will be sold. There is no minimum and we will retain any amount of proceeds received from the sale of the shares. Moreover, there is no assurance that our estimate of our liquidity needs is accurate or that new business development or other unforeseen events will not occur, resulting in the need to raise additional funds. As this offering is a best efforts financing, there is no assurance that this financing will be completed or that any future financing will be affected. Initial investors assume additional risk on whether the offering will be fully subscribed and how the Company will utilize the proceeds.

The Series B Preferred Stock will not be freely tradable until a potential future date. Federal securities law and/or state securities regulations may apply and each Purchaser should consult with his or her attorney.

You should be aware of the long-term nature of this investment. There is not now and likely may not be a public market for the Series B Preferred Stock. Because the Series B Preferred Stock have not been registered under the Securities Act or under the securities laws of any state or non-United States jurisdiction, the Series B Preferred Stock have transfer restrictions and cannot be resold in the United States except pursuant to certain exemptions of "restricted securities". It is not currently contemplated that registration under the Securities Act or other securities laws will be effected. Limitations on the transfer of the Series B Preferred Stock may also adversely affect the price that you might be able to obtain for the Series B Preferred Stock in a private sale. Purchasers should be aware of the long-term nature of their investment in the Company. Each Purchaser in this Offering will be required to represent that it is purchasing the Securities for its own account, for investment purposes and not with a view to resale or distribution thereof.

Your ownership of the shares of preferred stock may be subject to dilution.

Non-major purchasers of preferred stock do not have preemptive rights. If the Company conducts subsequent offerings of capital stock or securities convertible into capital stock, issues shares pursuant to a compensation or distribution reinvestment plan or otherwise issues additional shares, investors who purchase shares in this offering who do not participate in those other stock issuances will experience dilution in their percentage ownership of the Company's outstanding shares. Furthermore, shareholders may experience a dilution in the value of their shares depending on the terms and pricing of any future share issuances (including the shares being sold in this offering) and the value of the Company's assets at the time of issuance.

T***he Securities will be equity interests in the Company and will not constitute indebtedness.***

The Securities will rank junior to all existing and future indebtedness and other non-equity claims on the Company with respect to assets available to satisfy claims on the Company, including in a liquidation of the Company. Additionally, unlike indebtedness, for which principal and interest would customarily be payable on specified due dates, there will be no specified payments of dividends with respect to the Securities and dividends are payable only if, when and as authorized and declared by the Company and depend on, among other matters, the Company's historical and projected results of operations, liquidity, cash flows, capital levels, financial condition, debt service requirements and other cash needs, financing covenants, applicable state law, federal and state regulatory prohibitions and other restrictions and any other factors the Company's board of directors deems relevant at the time. In addition, the terms of the Securities will not limit the amount of debt or other obligations the Company may incur in the future. Accordingly, the Company may incur substantial amounts of additional debt and other obligations that will rank senior to the Securities.

There can be no assurance that we will ever provide liquidity to Purchasers through either a sale of the Company or a registration of the Securities.

There can be no assurance that any form of merger, combination, or sale of the Company will

take place, or that any merger, combination, or sale would provide liquidity for Purchasers. Furthermore, we may be unable to register the Securities for resale by Purchasers for legal, commercial, regulatory, market-related or other reasons. In the event that we are unable to effect a registration, Purchasers could be unable to sell their Securities unless an exemption from registration is available.

The Company does not anticipate paying any cash dividends for the foreseeable future.
The Company currently intends to retain future earnings, if any, for the foreseeable future, to repay indebtedness and to support its business. The Company does not intend in the foreseeable future to pay any dividends to holders of its shares of preferred stock.

Any valuation at this stage is difficult to assess.
Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment. In addition, there may be additional classes of equity with rights that are superior to the class of equity being sold.

The purchase agreement contains dispute resolution provisions which limit your ability to bring class action lawsuits or seek remedy on a class basis.
By purchasing Series B Preferred Stock in this offering, you agree to be bound by the dispute resolution and class action waiver provisions found in Sections 6.14 and 6.15 of the stock purchase agreement. Those provisions apply to claims regarding this offering. Any debate about the terms of the Series B Preferred Stock will be governed by Delaware corporate law. Under those provisions, disputes under the purchase agreement will be resolved in arbitration conducted in Delaware. Further, those provisions may limit your ability to bring class action lawsuits or similarly seek remedy on a class basis.

Exhibits

Exhibit A - Amended and Restated Certification of Incorporation
Exhibit B - Income Statement and Operating Budget

EXHIBIT A

Amended and Restated Certification of Incorporation

SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
CONSTANCE THERAPEUTICS, INC.
(Pursuant to Sections 228, 242 and 245 of the
General Corporation Law of the State of Delaware)

Constance Therapeutics, Inc. (the "**Corporation**"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1. That the name of this corporation is Constance Therapeutics, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on May 14, 2015, under the name Constance Therapeutics, Inc.

2. That an Amended and Restated Certificate of Incorporation of the Corporation was duly authorized and filed with the Secretary of State of the State of Delaware on July 22, 2016.

3. That by unanimous consent of its members, the Board of Directors of the Corporation duly adopted the restatement and further amendment and restatement of the certificate of incorporation herein certified and declared said restatement and further amendment to be advisable in accordance with the provisions of Sections 242 and 245 of the General Corporation Law.

4. That holders of the requisite number and classes of shares of capital stock issued by the Corporation duly approved said further amendment and restatement of the certificate of incorporation herein certified by written consent in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law.

RESOLVED, that the Amended and Restated Certificate of Incorporation of the Corporation be restated and further amended to read in its entirety as follows:

FIRST: The name of this corporation is Constance Therapeutics, Inc.

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1013 Centre Rd., Ste. 403-B, in the City of Wilmington, County of New Castle, Zip Code 19805. The name of its registered agent at such address is Vcorp Services, LLC.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 30,000,000 shares of Common Stock, $0.00001 par value

per share ("**Common Stock**"), and (ii) 2,837,379 shares of Preferred Stock, $0.00001 par value per share ("**Preferred Stock**").

The Preferred Stock is comprised of two series: (a) The first series of Preferred Stock shall be comprised of 1,314,465 shares and shall be designated "**Series A Preferred Stock**.", and (b) The second series of Preferred Stock shall be comprised of 1,522,914 shares and shall be designated "**Series B Preferred Stock**."

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. **COMMON STOCK**

1. **General**. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. **Voting**. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Second Amended and Restated Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Second Amended and Restated Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of this Second Amended and Restated Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. **PREFERRED STOCK**

Series A Preferred Stock. 1,314,465 shares of the authorized and issued Preferred Stock of the Corporation are hereby designated "**Series A Preferred Stock**" with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations.

Series B Preferred Stock. 1,522,914 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated "**Series B Preferred Stock**" with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations.

Unless otherwise indicated, references to "Sections" or "Subsections" in this Part B of this Article Fourth refer to sections and subsections of Part B of this Article Fourth.

1. **Dividends**. The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock which result in an adjustment to the Series A Conversion Price and the Series B Conversion Price in accordance with Section 4.5), unless (in addition to the obtaining of any consents required elsewhere in this Second Amended and Restated Certificate of Incorporation) the following requirements are satisfied:

1.1. **Series B Preferred Stock**. The holders of the Series B Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series B Preferred Stock in an amount at least equal to (i) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series B Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (B) the number of shares of Common Stock issuable upon conversion of a share of Series B Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (ii) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series B Preferred Stock determined by (A) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (B) multiplying such fraction by an amount equal to the Series B Original Issue Price (as defined below); provided that, if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Corporation, the dividend payable to the holders of Series B Preferred Stock pursuant to this Section shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series B Preferred Stock dividend. The "**Series B Original Issue Price**" shall mean $2.3693 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series B Preferred Stock.

1.2. **Series A Preferred Stock**. The holders of the Series A Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A Preferred Stock in an amount at least equal to (i) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series A Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (B) the number of shares of Common Stock issuable upon conversion of a share of Series A Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (ii) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series A Preferred Stock determined by (A) dividing the amount of the

dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (B) multiplying such fraction by an amount equal to the Series A Original Issue Price (as defined below); provided that, if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Corporation, the dividend payable to the holders of Series A Preferred Stock pursuant to this Section shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series A Preferred Stock dividend. The "**Series A Original Issue Price**" shall mean $1.59 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock.

2. **Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales**.

2.1. **First Preferential Payments to Holders of Series B Preferred Stock**. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the holders of shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders before any payment shall be made to the holders of Series A Preferred Stock or Common Stock by reason of their ownership thereof, an amount per share equal to the 1 times the Series B Original Issue Price, plus any dividends declared but unpaid thereon. If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series B Preferred Stock the full amount to which they shall be entitled under this subsection, the holders of shares of Series B Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2. **Second Preferential Payments to Holders of Series A Preferred Stock**. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, after payment of the amounts due the holders of the Series B Preferred Stock as set forth in Section 2.1, the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the 1 times the Series A Original Issue Price, plus any dividends declared but unpaid thereon. If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock the full amount to which they shall be entitled under this subsection, the holders of shares of Series A Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by

them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.3. **Distribution of Remaining Assets**. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, after the payment of all preferential amounts required to be paid to the holders of shares of Series B Preferred Stock (as provided in Section 2.1) and the Series A Preferred Stock (as provided in Section 2.2) the remaining assets of the Corporation available for distribution to its stockholders shall be distributed among the holders of the shares of Series A Preferred Stock, Series B Preferred Stock and Common Stock, pro rata based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to Common Stock pursuant to the terms of this Second Amended and Restated Certificate of Incorporation immediately prior to such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event.

2.4. **Liquidation Amounts.**

2.4.1 The aggregate amount which a holder of a share of Series B Preferred Stock is entitled to receive under Subsections 2.1 and 2.3 is hereinafter referred to as the "**Series B Liquidation Amount**."

2.4.2 The aggregate amount which a holder of a share of Series A Preferred Stock is entitled to receive under Subsections 2.2 and 2.3 is hereinafter referred to as the "**Series A Liquidation Amount**."

2.5. **Deemed Liquidation Events**.

2.5.1 **Definition**. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least a majority of the outstanding shares of Series A Preferred Stock elect otherwise by written notice sent to the Corporation at least ten (**1**0) days prior to the effective date of any such event:

(a) a merger or consolidation in which:

(1) the Corporation is a constituent party or

(2) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.5.2 **Amount Deemed Paid or Distributed**. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation.

2.5.3 **Allocation of Escrow**. In the event of a Deemed Liquidation Event pursuant to Section 2.5 (a)(i), if any portion of the consideration payable to the stockholders of the Corporation is placed into escrow and/or is payable to the stockholders of the Corporation subject to contingencies, the definitive transaction agreement shall provide that (a) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 2.2 and 2.3 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event and (b) any additional consideration which becomes payable to the stockholders of the Corporation upon release from escrow or satisfaction of contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1, 202 and 2.3 after taking into account the previous payment of the Initial Consideration as part of the same transaction.

3. **General Voting Rights**.

3.1. **In General**. The holder of each share of Preferred Stock shall have the right to one vote for each share of Common Stock into which such Preferred Stock could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of the Corporation, and shall be entitled to vote, together with holders of Common Stock, with respect to any question upon which holders of Common Stock have the right to vote to the extent permitted by California law. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded down to the nearest whole number:

3.2. **Board of Directors - Series B Preferred Stock Director**. So long as at least 845,000 shares of Series B Preferred Stock shall be issued and outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares), the holders of the Series B Preferred Stock, voting as a separate class shall be entitled to elect one (1) member of the Board of Directors of the Corporation (the "**Series B Preferred Stock Director**") at each meeting or pursuant to each consent of the Corporation's stockholders for the election of directors, and to remove from office such Series B Preferred Stock Director and to fill any vacancy caused by the resignation, death or removal of such Series B Preferred Stock Director. The Series B Preferred Stock Directors shall be afforded the opportunity to sit on any and all committees of the Board of Directors of the Corporation, and should either initially decline but then wish to do so, he or she may require that he or she be named as a member of such committee.

4. **Optional Conversion**.

The holders of the Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1. **Right to Convert**.

4.1.1 **Conversion Ratios**.

(a) **Series A Conversion Ratio**. Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (a) the Series A Original Issue Price *by* (b) the Series A Conversion Price (as defined below) in effect at the time of conversion. The "**Series A Conversion Price**" shall initially be equal to $1.00. Such initial Series A Conversion Price, and the rate at which shares of Series A Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

(b) **Series B Conversion Ratio**. Each share of Series B Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing (a) the Series B Original Issue Price *by* (b) the Series B Conversion Price (as defined below) in effect at the time of conversion. The "**Series B Conversion Price**" shall initially be equal to $1.00. Such initial Series B Conversion Price, and the rate at which shares of Series B Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

4.1.2 **Termination of Conversion Rights**. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Preferred Stock.

4.2. **Fractional Shares**. No fractional shares of Common Stock shall be issued upon conversion of Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Corporation. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock or Series B Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

4.3. **Mechanics of Conversion**.

4.3.1 **Notice of Conversion**. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Series A Preferred Stock and/or Series B Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice shall be the time of conversion (the "**Conversion Time**")**,** and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time, (i) issue and deliver to such holder of Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Series A Preferred Stock and/or Series B Preferred Stock represented by the surrendered certificate(s) that were not converted into Common Stock, (ii) pay in cash such amount as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (iii) pay all remaining declared but unpaid dividends on the shares of Series A Preferred Stock and/or Series B Preferred Stock that was not converted pursuant to Section 4.1.1.

4.3.2 **Reservation of Shares**.

(a) **Reservation for Conversion of Series A Preferred Stock**. The Corporation shall at all times when the Series A Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series A Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Second Amended and Restated Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the Series A Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the Series A Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Series A Conversion Price.

(b) **Reservation for Conversion of Series B Preferred Stock**. The Corporation shall at all times when the Series B Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series B Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series B Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series B Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Second Amended and Restated Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the Series B Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the Series B Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Series B Conversion Price.

4.3.3 **Effect of Conversion**. All shares of Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Subsection 4.2 and to receive payment

of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series A Preferred Stock and/or Series B Preferred Stock accordingly.

4.3.4 **No Further Adjustment**. Upon any such conversion, no adjustment to the Series A Conversion Price or Series B Conversion Price shall be made for any declared but unpaid dividends on the Series A Preferred Stock or Series B Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 **Taxes**. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4. **Adjustments to Series A and Series B Conversion Prices for Diluting Issues**.

4.4.1 **Special Definitions**. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(b) "**Series A Original Issue Date**" shall mean the date on which the first share of Series A Preferred Stock was issued.

(c) "**Series B Original Issue Date**" shall mean the date on which the first share of Series B Preferred Stock was issued.

(d) "**Convertible Securities**" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(e) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Section 4.4.3, deemed to be issued) by the Corporation after the Series A or Series B Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(1) shares of Common Stock issued upon conversion of the Series A or Series B Preferred Stock;

(2) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Series A or Series B Preferred Stock;

(3) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Section 4.5, 4.6, 4.7 or 4.8;

(4) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation;

(5) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities outstanding on the date this Second Amended and Restated Certificate of Incorporation was filed, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security; or

(6) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation; or

(7) shares of Common Stock, Options or Convertible Securities issued to suppliers or third-party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board of Directors of the Corporation;

(8) shares of Common Stock, Options or Convertible Securities issued pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided, that such issuances are approved by the Board of Directors of the Corporation; or

4.4.2 **No Adjustment of Series A Conversion Price or of Series B Conversion Price**.

(a) No adjustment in the Series A Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the holders of at least a majority of the then outstanding shares of Series A Preferred Stock, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

(b) No adjustment in the Series B Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the holders of at least a majority of the then outstanding shares of Series B Preferred Stock, agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 **Deemed Issue of Additional Shares of Common Stock**.

(a) If the Corporation at any time or from time to time after the Series A Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the Corporation at any time or from time to time after the Series B Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(c) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Series A Conversion Price or the Series B Conversion Price pursuant to the terms of Section 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (ii) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective:

(1) The Series A Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Series A Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Series A Conversion Price to an amount which exceeds the lower of (1) the Series A Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (2) the Series A Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(2) The Series B Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Series B Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Series B Conversion Price to an amount which exceeds the lower of (1) the Series B Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (2) the Series B Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(d) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Series A Conversion Price pursuant to the terms of Section 4.4.4 (either because the consideration per share (determined pursuant to Section 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Series A Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series A Original Issue Date), are revised after the Series A Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (ii) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(e) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted

Securities), the issuance of which did not result in an adjustment to the Series B Conversion Price pursuant to the terms of Section 4.4.4 (either because the consideration per share (determined pursuant to Section 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Series B Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series B Original Issue Date), are revised after the Series B Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (ii) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(f) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms):

(1) in an adjustment to the Series A Conversion Price pursuant to the terms of Section 4.4.4, the Series A Conversion Price shall be readjusted to such Series A Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued; or

(2) in an adjustment to the Series B Conversion Price pursuant to the terms of Section 4.4.4, the Series B Conversion Price shall be readjusted to such Series B Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(g) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Series A Conversion Price or Series B Conversion Price provided for in this Section 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Section 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Series A Conversion Price that would result under the terms of this Section 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments),

assuming for purposes of calculating such adjustment to the Series A Conversion Price or Series B Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 **Conversion Price Adjustments for Certain Dilutive Issuances, Splits and Combinations (the "*Anti-dilution Provision*")**. If the Corporation shall issue, on or after the date upon which this Second Amended and Restated Certificate of Incorporation is accepted for filing by the Secretary of State of the State of Delaware (the "*Filing Date*"), any Additional Stock (as defined above in Section 4.4.1) without Consideration or for a Consideration (defined in Section 4.4.5 below) per share less than the respective Conversion Price applicable to Series A Preferred Stock or Series B Preferred Stock in effect immediately prior to the issuance of such Additional Stock, the Conversion Price for the Series A Preferred Stock or Series B Preferred Stock, as applicable, in effect immediately prior to each such issuance shall forthwith (except as otherwise provided in this clause) be adjusted:

(a) in the case of Series A Preferred Stock, to a price equal to the price paid per share for such Additional Stock (i.e. full-ratchet adjustment); and

(b) in the case of Series B Preferred Stock, to a price equal to the price paid per share for such Additional Stock (i.e. full-ratchet adjustment).

4.4.5 **Determination of Consideration**. For purposes of this Subsection 4.4, the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(a) **Cash and Property:** Such consideration shall:

(1) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(2) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Corporation; and

(3) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii), above, as determined in good faith by the Board of Directors of the Corporation.

(b) **Options and Convertible Securities**. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

(1) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(2) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

(c) **Multiple Closing Dates**. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Series A Conversion Price or the Series B Conversion Price pursuant to the terms of Section 4.4.4 then, upon the final such issuance, the Series A Conversion Price and the Series B Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5. **Adjustment for Stock Splits and Combinations**.

4.5.1 If the Corporation shall at any time or from time to time after the Series A Original Issue Date effect a subdivision of the outstanding Common Stock, the Series A Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series A Original Issue Date combine the outstanding shares of Common Stock, the Series A Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.5.2 If the Corporation shall at any time or from time to time after the Series B Original Issue Date effect a subdivision of the outstanding Common Stock, the Series B Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the

aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series B Original Issue Date combine the outstanding shares of Common Stock, the Series B Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6. **Adjustment for Certain Dividends and Distributions**.

4.6.1 In the event the Corporation at any time or from time to time after the Series A Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Series A Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Series A Conversion Price then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series A Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series A Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (ii) that no such adjustment shall be made if the holders of Series A Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Series A Preferred Stock had been converted into Common Stock on the date of such event.

4.6.2 In the event the Corporation at any time or from time to time after the Series B Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Series B Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of

the close of business on such record date, by multiplying the Series B Conversion Price then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series B Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series B Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (ii) that no such adjustment shall be made if the holders of Series B Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Series B Preferred Stock had been converted into Common Stock on the date of such event.

4.7. **Adjustments for Other Dividends and Distributions**.

4.7.1 In the event the Corporation at any time or from time to time after the Series A Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Series A Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Series A Preferred Stock had been converted into Common Stock on the date of such event.

4.7.2 In the event the Corporation at any time or from time to time after the Series B Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Series B Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received

if all outstanding shares of Series B Preferred Stock had been converted into Common Stock on the date of such event.

4.8. **Adjustment for Merger or Reorganization, etc**. Subject to the provisions of Section 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Series A or Series B Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Series A and Series B Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Series A and Series B Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Series A and Series B Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the Series A and Series B Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Series A and Series B Preferred Stock. For the avoidance of doubt, nothing in this Section 4.8 shall be construed as preventing the holders of Series A or Series B Preferred Stock from seeking any appraisal rights to which they are otherwise entitled under the General Corporation Law in connection with a merger triggering an adjustment hereunder, nor shall this Section 4.8 be deemed conclusive evidence of the fair value of the shares of Series A or Series B Preferred Stock in any such appraisal proceeding.

4.9. **Certificate as to Adjustments**. Upon the occurrence of each adjustment or readjustment of the Series A Conversion Price or the Series B Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish:

4.9.1 to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Series A Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based; and

4.9.2 to each holder of Series B Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Series B Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based.

The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Series A Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (a) the Series A Conversion Price then in effect, and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Series A Preferred Stock.

The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Series B Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (a) the Series B Conversion Price then in effect, and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Series B Preferred Stock.

4.10. **Notice of Record Date**. In the event:

4.10.1 the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Series A Preferred Stock or Series B Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

4.10.2 of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

4.10.3 of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Series A Preferred Stock and the Series B Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Series A Preferred Stock or Series B Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Series A Preferred Stock, the Series B Preferred Stock and the Common Stock Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5. **Mandatory Conversion**.

5.1. **Trigger Events**. Upon the occurrence of:

5.1.1 In the event of the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $20,000,000 of proceeds to the Corporation, net of the underwriting discount and commissions, and a price of at least 2.5x of the Series B Original Issue Price, all outstanding shares of Series A Preferred Stock and Series B Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate and (ii) such shares may not be reissued by the Corporation.

5.1.2 At the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Series A Conversion Time**"), (i) all outstanding shares of Series A Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate and (ii) such shares may not be reissued by the Corporation.

5.1.3 At the date and time, or the occurrence of an event, specified by vote or written consent of the holders of at least a majority of the then outstanding shares of Series B Preferred Stock (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Series B Conversion Time**"), (i) all outstanding shares of Series B Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate and (ii) such shares may not be reissued by the Corporation.

5.2. **Procedural Requirements**.

5.2.1 All holders of record of shares of Series A Preferred Stock shall be sent written notice of the Mandatory Series A Conversion Time and the place designated for mandatory conversion of all such shares of Series A Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Series A Conversion Time. Upon receipt of such notice, each holder of shares of Series A Preferred Stock shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series A Preferred Stock converted pursuant to Section 5.1 including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Series A Conversion Time

(notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 5.2. As soon as practicable after the Mandatory Series A Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Series A Preferred Stock, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Series A Preferred Stock converted. Such converted Series A Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series A Preferred Stock accordingly.

5.2.2 All holders of record of shares of Series B Preferred Stock shall be sent written notice of the Mandatory Series B Conversion Time and the place designated for mandatory conversion of all such shares of Series B Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Series B Conversion Time. Upon receipt of such notice, each holder of shares of Series B Preferred Stock shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series B Preferred Stock converted pursuant to Section 5.1 including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Series B Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 5.2. As soon as practicable after the Mandatory Series B Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Series B Preferred Stock, the Corporation shall issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Series B Preferred Stock converted. Such converted Series B Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for

stockholder action) as may be necessary to reduce the authorized number of shares of Series B Preferred Stock accordingly.

5.3. **Effect of Mandatory Conversion**.

5.3.1 All shares of Series A Preferred Stock shall, from and after the Mandatory Series A Conversion Time, no longer be deemed to be outstanding and, notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares on or prior to such time, all rights with respect to such shares shall immediately cease and terminate at the Mandatory Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefore. Such converted Series A Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series A Preferred Stock accordingly.

5.3.2 All shares of Series B Preferred Stock shall, from and after the Mandatory Series B Conversion Time, no longer be deemed to be outstanding and, notwithstanding the failure of the holder or holders thereof to surrender the certificates for such shares on or prior to such time, all rights with respect to such shares shall immediately cease and terminate at the Mandatory Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefore. Such converted Series B Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series B Preferred Stock accordingly.

6. **Waiver**.

6.1. Any of the rights, powers, preferences and other terms of the Series A Preferred Stock set forth herein may be waived on behalf of all holders of Series A Preferred Stock by the affirmative written consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding.

6.2. Any of the rights, powers, preferences and other terms of the Series B Preferred Stock set forth herein may be waived on behalf of all holders of Series B Preferred Stock by the affirmative written consent or vote of the holders of at least a majority of the shares of Series B Preferred Stock then outstanding.

7. **Notices**. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Series A Preferred Stock or Series B Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

8. **Protective Provisions**.

8.1. **Series A Preferred Stock**. So long as at least 300,000 shares of Series A Preferred shares are outstanding (as adjusted for stock splits, stock dividends, recapitalizations and the like), the Company will not, without the written consent of the holders of at least a majority of the then outstanding Series A Preferred, either directly or by amendment, merger, consolidation, or otherwise:

8.1.1 amend, alter, or repeal any provision of this Second Amended and Restated Certificate of Incorporation or Bylaws in a manner materially adverse to the Series A Preferred Stock;

8.1.2 liquidate, dissolve or wind up the affairs of the Company, or effect any Deemed Liquidation Event;

8.1.3 create or authorize the creation of or issue any other security convertible into or exercisable for any equity security, having rights, preferences or privileges senior to or on parity with the Series A Preferred; or

8.1.4 declare or pay any distribution or dividend with respect to the Common Stock.

8.2. **Series B Preferred Stock**. So long as at least 200,000 shares of Series B Preferred shares are outstanding (as adjusted for stock splits, stock dividends, recapitalizations and the like), the Company will not, without the written consent of the holders of at least a majority of the then outstanding Series B Preferred, either directly or by amendment, merger, consolidation, or otherwise:

8.2.1 amend, alter, or repeal any provision of this Second Amended and Restated Certificate of Incorporation or Bylaws in a manner materially adverse to the Series B Preferred Stock;

8.2.2 liquidate, dissolve or wind-up the affairs of the Company, or effect any Deemed Liquidation Event;

8.2.3 create or authorize the creation of or issue any other security convertible into or exercisable for any equity security, having rights, preferences or privileges senior to or on parity with the Series B Preferred, or increase the authorized number of shares of Series B Preferred;

8.2.4 declare or pay any distribution or dividend with respect to the Common Stock; or

8.2.5 purchase or redeem or pay any dividend on any capital stock prior to the Series B Preferred, other than stock repurchased from former employees or consultants in connection with the cessation of their employment/services, at the lower of fair market value or cost.

9. **Redemption**. Shares of Preferred Stock shall ***not*** be mandatorily redeemable but may be redeemed by the Company at the election of the Board of Directors of the Corporation and subject to the agreement of the holder(s) thereof. Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption.

FIFTH: Subject to any additional vote required by the Second Amended and Restated Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

SIXTH: Subject to any additional vote required by the Second Amended and Restated Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

SEVENTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors of the Corporation or in the Bylaws of the Corporation.

NINTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

TENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ELEVENTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, (ii) any holder of Series A Preferred Stock or Series B Preferred Stock or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

TWELFTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine.

* * *

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED CERTIFICATE OF INICOPORATION OF CONSTANCE THERAPEUTICS, INC.]

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of the Corporation on this the ___ day of June, 2017.

By: /s/ Constance Finley
Name: Constance Finley
Title: President

EXHIBIT B

Income Statement and Operating Budget

Income Statement (Consolidated)

Constance Therapeutics, Inc.

For the 12 months ended April 30, 2017

Cash Basis

Income		12 months ended April 30, 2017	
Sales		1,332,763	
Total Income	**$**	**1,332,763**	
Cost of Goods Sold			
Cost of Goods Sold (Lab): Raw Material		419,461	***31.5%***
Cost of Goods Sold (Lab): Direct Labor & Related		158,617	***11.9%***
Cost of Goods Sold (Lab): Lab Supplies & Materials		39,865	***3.0%***
Cost of Goods Sold (Lab): Testing & Quality Control		31,246	***2.3%***
Cost of Goods Sold: Delivery Fees		23,418	***1.8%***
Cost of Goods Sold (Lab): Equipment		920	***0.1%***
Total Cost of Goods Sold		**673,528**	
Gross Profit	**$**	**659,236**	***49.5%***
Operating Expenses			
Patient Support Expense		-	*0.0%*
Payroll & Employee Related Expenses		985,066	*37.6%*
Consultants & Contractors Expense		607,449	*23.2%*
Professional Services Expense (Legal, Accounting)		284,904	*10.9%*
Conference & Related Expense		208,719	*8.0%*
Marketing & PR Expense		172,354	*6.6%*
Rent & Facilitates Expenses		133,549	*5.1%*
Insurance Expense		54,113	*2.1%*
Office & Other Expenses		49,183	*1.9%*
Travel, Meals and Entertainment Expense		47,508	*1.8%*
IT Expenses		42,163	*1.6%*
Bank Service Charges and Fees		27,686	*1.1%*
SAAS Dues & Subscriptions		19,541	*0.7%*
Repairs and Maintenance Expense		858	*0.0%*
Research & Development		824	*0.0%*
Depreciation and Amortization Expense		(15,081)	*-0.6%*
Total Operating Expenses		**2,618,837**	
Operating Income	**$**	**(1,959,601)**	
Taxes & Related Expenses		120,455	
Net Income	**$**	**(2,080,056)**	

Income Statement (Consolidated)

Constance Therapeutics, Inc.

For the 12 months ended April 30, 2017 (Monthly)

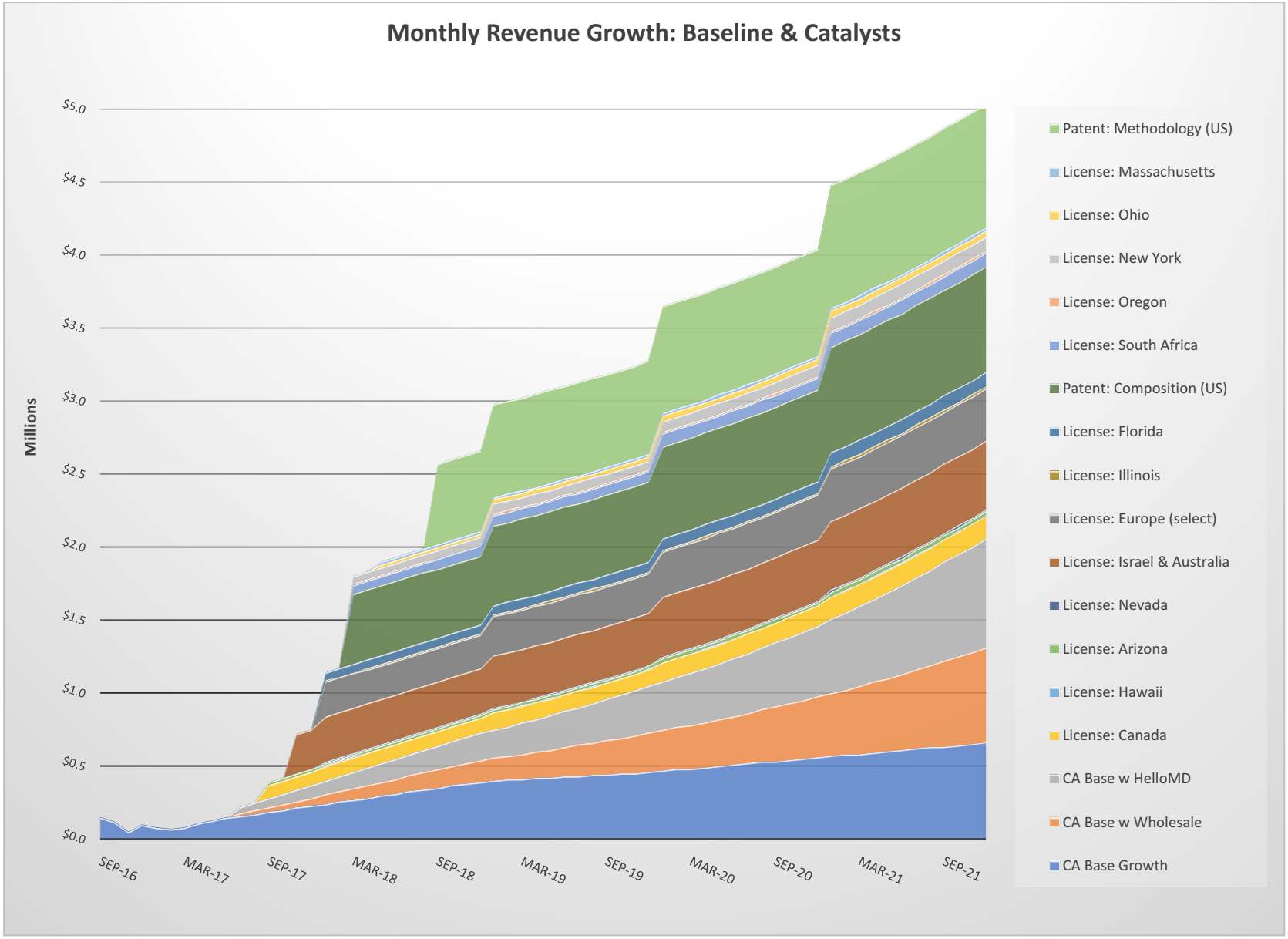
Cash Basis

Income	Apr 2017	Mar 2017	Feb 2017	Jan 2017	Dec 2016	Nov 2016	Oct 2016	Sep 2016	Aug 2016	Jul 2016	Jun 2016	May 2016
Sales	124,918	75,281	74,608	76,150	102,576	47,675	117,888	143,002	110,503	94,196	139,269	226,698
Total Income	**$ 124,918**	**$ 75,281**	**$ 74,608**	**$ 76,150**	**$ 102,576**	**$ 47,675**	**$ 117,888**	**$ 143,002**	**$ 110,503**	**$ 94,196**	**$ 139,269**	**$ 226,698**
Cost of Goods Sold												
Cost of Goods Sold (Lab): Raw Material	336	12,883	23,750	8,520	33,780	31,756	70,310	14,940	41,598	157,084	7,165	17,339
Cost of Goods Sold (Lab): Direct Labor & Related	14,055	9,050	9,228	9,223	18,254	10,998	12,805	20,378	12,567	13,942	14,340	13,775
Cost of Goods Sold (Lab): Lab Supplies & Materials	367	14,244	745	316	10,867	751	-	1,562	6,058	1,201	855	2,899
Cost of Goods Sold (Lab): Testing & Quality Control	(235)	4,522	63	3,650	7,245	690	1,990	1,985	1,478	5,905	575	3,379
Cost of Goods Sold: Delivery Fees	864	2,535	121	842	1,986	297	1,245	446	3,698	5,015	4,287	2,082
Cost of Goods Sold (Lab): Equipment	920	-	-	-	-	-	-	-	-	-	-	-
Total Cost of Goods Sold	**16,307**	**43,233**	**33,908**	**22,552**	**72,132**	**44,492**	**86,350**	**39,310**	**65,399**	**183,147**	**27,223**	**39,473**
Gross Profit	**$ 108,611**	**$ 32,048**	**$ 40,700**	**$ 53,599**	**$ 30,444**	**$ 3,182**	**$ 31,537**	**$ 103,691**	**$ 45,104**	**$ (88,952)**	**$ 112,046**	**$ 187,225**
Operating Expenses												
Patient Support Expense	-	-	-	-	-	-	-	-	-	-	-	-
Payroll & Employee Related Expenses	122,810	93,653	96,604	99,445	116,068	36,222	70,469	104,778	45,728	68,516	72,257	58,516
Consultants & Contractors Expense	4,800	9,524	2,295	1,070	54,513	47,809	154,153	41,412	51,857	141,179	23,911	74,925
Professional Services Expense (Legal, Accounting)	-	6,338	-	14,596	78,561	42,217	51,001	20,820	50,428	12,188	-	8,757
Conference & Related Expense	7,648	18,527	8,537	10,033	11,289	18,375	52,487	14,427	33,172	8,116	13,138	12,970
Marketing & PR Expense	454	92,977	19,563	12,106	20,583	19,382	5,000	1,236	361	318	298	75
Rent & Facilitates Expenses	16,433	12,354	11,058	10,007	12,887	9,808	22,329	8,950	3,485	9,492	7,948	8,799
Insurance Expense	2,927	6,426	4,101	4,101	4,888	2,803	9,193	7,547	2,803	5,760	2,123	1,441
Office & Other Expenses	1,266	282	1,596	2,559	3,712	2,874	18,223	4,109	1,266	10,425	1,412	1,460
Travel, Meals and Entertainment Expense	366	526	2,285	4,074	11,304	5,445	4,040	5,332	4,720	4,541	3,114	1,762
IT Expenses	1,674	6,156	1,858	2,448	3,216	7,398	3,952	2,513	1,868	1,724	1,747	7,610
Bank Service Charges and Fees	2,090	1,672	1,375	1,869	885	2,123	3,304	2,771	2,181	2,360	3,763	3,292
SAAS Dues & Subscriptions	1,235	6,013	831	730	3,253	1,098	1,117	949	503	1,173	1,221	1,418
Repairs and Maintenance Expense	-	-	-	-	-	-	858	-	-	-	-	-
Research & Development	824	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization Expense	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)	(1,257)
Total Operating Expenses	**161,269**	**253,192**	**148,847**	**161,781**	**319,902**	**194,298**	**394,868**	**213,587**	**197,114**	**264,535**	**129,675**	**179,769**
Operating Income	**$ (52,658)**	**$ (221,144)**	**$ (108,147)**	**$ (108,182)**	**$ (289,458)**	**$ (191,115)**	**$ (363,331)**	**$ (109,896)**	**$ (152,010)**	**$ (353,486)**	**$ (17,629)**	**$ 7,456**
Taxes & Related Expenses	11,770	7,332	8,811	14,443	14,116	3,096	7,253	7,080	11,125	24,384	2,766	8,277
Net Income	**$ (64,429)**	**$ (228,477)**	**$ (116,958)**	**$ (122,626)**	**$ (303,574)**	**$ (194,211)**	**$ (370,584)**	**$ (116,976)**	**$ (163,135)**	**$ (377,870)**	**$ (20,395)**	**$ (821)**

2017 Operating Budget

CONSTANCE THERAPEUTICS (Consolidated)

	Monthly	Annual	
Cost of Goods Sold			
Raw Materials	35,000	420,000	*15.3%*
Salary, Wages & Benefits	20,000	240,000	*8.8%*
Lab Testing	3,500	42,000	*1.5%*
Lab Equipment & Supplies	3,000	36,000	*1.3%*
Payment Processor Fees	2,000	24,000	*0.9%*
Total Cost of Goods Sold	**63,500**	**762,000**	***28%***
Sales & Marketing			
Salary, Wages & Benefits	20,000	240,000	*8.8%*
Marketing & Brand	15,000	180,000	*6.6%*
SAAS Subscriptions	1,500	18,000	*0.7%*
Delivery Fees	1,250	15,000	*0.5%*
Total Cost of Goods Sold	**37,750**	**453,000**	***17%***
Operating Expenses			
Salary, Wages & Benefits	65,000	780,000	*28.5%*
Legal, Accounting & Professional Services	23,000	276,000	*10.1%*
Rent & Related Facilities Cost	17,500	210,000	*7.7%*
Miscellaneous Expenses	10,000	120,000	*4.4%*
Conferences & Related Travel	2,500	30,000	*1.1%*
Insurance	2,000	24,000	*0.9%*
IT Expense	1,750	21,000	*0.8%*
Consultants & Contractors	1,500	18,000	*0.7%*
Office Related Expenses	1,500	18,000	*0.7%*
SAAS Subscriptions	1,050	12,600	*0.5%*
Meals, Travel & Entertainment	1,000	12,000	*0.4%*
Total Operating Expenses	**126,800**	**453,600**	***56%***
TOTAL EXPENSE	**228,050**	**1,668,600**	***100%***


Monthly Revenue Growth: Baseline & Catalysts
Millions
$5.0
$4.5
$4.0
$3.5
$3.0
$2.5
$2.0
$1.5
$1.0
$0.5
$0.0
SEP-16
MAR-17
SEP-17
MAR-18
SEP-18
MAR-19
SEP-19
MAR-20
SEP-20
MAR-21
SEP-21
Patent: Methodology (US)
License: Massachusetts
License: Ohio
License: New York
License: Oregon
License: South Africa
Patent: Composition (US)
License: Florida
License: Illinois
License: Europe (select)
License: Israel & Australia
License: Nevada
License: Arizona
License: Hawaii
License: Canada
CA Base w HelloMD
CA Base w Wholesale
CA Base Growth

INVESTMENT DISCLOSURES

ONDELLO, INC.
("HELLOMD")

INVESTMENT DISCLOSURE

UP TO $3,000,000 SHARES OF SERIES A PREFERRED STOCK

Ondello Inc. ("HelloMD," the "company," "we," "us", or "our"), is initially offering up to $3,000,000 worth of Series A Preferred Stock of the company (the "Securities"), which amount may be increased by HelloMD to $4,000,000 if there is adequate demand for the Securities. Purchasers of Securities are sometimes referred to herein as "Purchasers". This offering is being conducted on a best efforts basis.

In making an investment decision, investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. These securities have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon the accuracy or adequacy of this document.

The U.S. Securities and Exchange Commission does not pass upon the merits of any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering document or literature.

These securities are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

This disclosure document contains forward-looking statements and information relating to, among other things, the company, its business plan and strategy, and its industry. These forward-looking statements are based on the beliefs of, assumptions made by, and information currently available to the company's management. When used in this disclosure document and the company offering materials, the words "estimate", "project", "believe", "anticipate", "intend", "expect", and similar expressions are intended to identify forward-looking statements. These statements reflect management's current views with respect to future events and are subject to risks and uncertainties that could cause the company's action results to differ materially from those contained in the forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements to reflect events or circumstances after such state or to reflect the occurrence of unanticipated events.

SUMMARY

The following summary is qualified in its entirety by more detailed information that may appear elsewhere in this Investment Disclosure and the Exhibits hereto. Each prospective Purchaser is urged to read this Investment Disclosure and the Exhibits hereto in their entirety.

Ondello, Inc. (the "Company") is a Delaware Corporation, formed on March 22, 2013. The Company is currently also conducting business under the name of HelloMD.

The Company is located at 101 California Street, Suite 2710, San Francisco, CA 94111.

The Company's website is https://www.hellomd.com/.

The Business
HelloMD has attempted to provide a complete solution for the use of cannabis for medical reasons, starting with a doctor's consultation over Telehealth, to product selection and advice, community advice and purchase / delivery options from hundreds of licensed retailer and brand partners.

The Business Plan
HelloMD is a community of cannabis users; patients, retailers, brands, doctors, and others. We believe we are the leading Telehealth service for medical cannabis in the US. Our technical platform is proprietary. We charge a fee for every doctor's consultation.

RISK FACTORS

The company is subject to all the same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently more risky than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

Risks Related to the Company's Business and Industry

Our business has posted net operating losses since operations began in 2013.
We incurred losses of $388,039 and $410,572 for the years ended December 31, 2015 and 2016, respectively. The adverse effects of a limited operating history include reduced management visibility into forward sales, marketing costs, and customer acquisition, which could lead to missing targets for achievement of profitability.

We need additional capital to expand operations; if we do not raise additional capital, we will need to curtail our expansion plans.
Since our inception, we have financed our operations through revenue and through the sale of convertible notes. As of 31 March, 2017, we had approximately $100,000 in cash. If we fail to raise the minimum or maximum, to execute on our business plan successfully, we will need to raise additional money in the future. Additional financing may not be available on favorable terms, or at all. The exact amount of funds raised, if any, will determine how quickly we can reach profitability on our operations. No assurance can be given that we will be able to raise capital

when needed or at all, or that such capital, if available, will be on terms acceptable to us. If we are not able to raise additional capital, we will likely need to curtail our expansion plans or possibly cease operations.

We may not be able to effectively manage growth.
The Company expects its growth to place a substantial strain on its managerial, operational and financial resources. The Company cannot assure that it will be able to effectively manage the expansion of its operations, or that its facilities, systems, procedures or controls will be adequate to support its operations. The Company's inability to manage future growth effectively would have a material adverse effect on its business, financial condition and results of operations.

Our management may not be able to control costs in an effective or timely manner.
The Company's management has used reasonable efforts to assess, predict and control costs and expenses. However, the Company only has a short operating history upon which to base those efforts. Implementing our business plan may require more employees, capital equipment, supplies or other expenditure items than management has predicted. Likewise, the cost of compensating employees and consultants or other operating costs may be higher than management's estimates, which could lead to sustained losses.

The Company operates in a vertical with high compliance and regulatory requirements.
The Company has a community of cannabis users: doctors, patients, retailers and brands. Although the company does not sell or distribute cannabis directly, a part of its business model is dependent on those that do. While the company is unlikely to face direct federal pressure; its entire business model is at risk if federal or state laws change for medical (or recreational) cannabis use.

Our business depends on developing and maintaining productive relationships with our doctors and vendors.
We depend on our doctors and vendors to provide consultations and quality products at favorable prices. Many factors outside our control, including but not limited, to product shortages, labor disputes, or transportation disruptions, could adversely affect our partner's ability to deliver to customer's quality products and services at favorable prices in a timely manner.

Maintaining, extending and expanding our reputation and brand image are essential to our business success.
We seek to maintain, extend, and expand our brand image through marketing investments, including user generated content, advertising and product innovation. Increasing attention on marketing could adversely affect our brand image. Existing or increased legal or regulatory restrictions on our marketing initiatives, or our response to those restrictions, could limit our efforts to maintain, extend and expand our brands. Moreover, adverse publicity about regulatory or legal action against us could damage our reputation and brand image, undermine our customers' confidence and reduce long-term demand for our supply partner's products.

We operate in a highly competitive environment, and if we are unable to compete with our competitors, our business, financial condition, results of operations, cash flows and prospects could be materially adversely affected.
We operate in a highly competitive environment. Our competition includes all other companies that are in the business of medicinal cannabis. A highly competitive environment could materially adversely affect our business, financial condition, results of operations, cash flows and prospects.

Industry consolidation may result in increased competition, which could result in a loss of customers or a reduction in revenue.

Some of our competitors have made or may make acquisitions or may enter into partnerships or other strategic relationships to offer more comprehensive services than they individually had offered or achieve greater economies of scale. In addition, new entrants not currently considered to be competitors may enter our market through acquisitions, partnerships or strategic relationships. We expect these trends to continue as companies attempt to strengthen or maintain their market positions. The potential entrants may have competitive advantages over us, such as greater name recognition, longer operating histories, more varied services and larger marketing budgets, as well as greater financial, technical and other resources. The companies resulting from combinations or that expand or vertically integrate their business to include the market that we address may create more compelling service offerings and may offer greater pricing flexibility than we can or may engage in business practices that make it more difficult for us to compete effectively, including on the basis of price, sales and marketing programs, technology or service functionality. These pressures could result in a substantial loss of our customers or a reduction in our revenue.

Breaches of our cybersecurity systems could degrade our ability to conduct our business operations and deliver products and services to our customers, delay our ability to recognize revenue, compromise the integrity of our software products, result in significant data losses and the theft of our intellectual property, damage our reputation, expose us to liability to third parties and require us to incur significant additional costs to maintain the security of our networks and data.

We depend upon our IT systems to conduct virtually all of our business operations, ranging from our internal operations and product development activities to our marketing and sales efforts and communications with our customers and business partners. Computer programmers may attempt to penetrate our network security, or that of our website, and misappropriate our proprietary information or cause interruptions of our service. Because the techniques used by such computer programmers to access or sabotage networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. In addition, sophisticated hardware and operating system software and applications that we produce or procure from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of the system. We have also outsourced a number of our business functions to third-party contractors, including our manufacturers and logistics providers, and our business operations also depend, in part, on the success of our contractors' own cybersecurity measures. Additionally, we depend upon our employees to appropriately handle confidential data and deploy our IT resources in safe and secure fashion that does not expose our network systems to security breaches and the loss of data. Accordingly, if our cybersecurity systems and those of our contractors fail to protect against unauthorized access, sophisticated cyberattacks and the mishandling of data by our employees and contractors, our ability to conduct our business effectively could be damaged.

Risks Related to Management and Personnel

We are highly dependent on the Services of our founder Mark Hadfield

Our future business and results of operations depend in significant part upon the continued contributions Mr. Mark Hadfield, CEO and Director. If we lose his services or if he fails to perform in his current position, or if we are not able to attract and retain skilled employees in addition to Mr. Hadfield, this could adversely affect the development of our business plan and harm our

business. In addition, the loss of any other member of the board of directors or executive officers could harm the Company's business, financial condition, cash flow and results of operations.

The failure to attract and retain key employees could hurt our business, and our management does not have extensive experience in the operation of businesses such as ours.
Our success also depends upon our ability to attract and retain numerous highly qualified employees. Although the Company's current management team has extensive business background, their experience is in industries unrelated to our business. Our failure to attract and retain skilled management and employees may prevent or delay us from pursuing certain opportunities. If we fail to successfully fill many management roles, fail to fully integrate new members of our management team, lose the services of key personnel, or fail to attract additional qualified personnel, it will be significantly more difficult for us to achieve our growth strategies and success.

Risks Related to the Securities

The Series A Preferred Stock will not be freely tradable until one year from the initial purchase date. Although the Series A Preferred Stock may be tradeable under federal securities law, state securities regulations may apply and each Purchaser should consult with his or her attorney.
You should be aware of the long-term nature of this investment. There is not now and likely will not be a public market for the Series A Preferred Stock. Because the Series A Preferred Stock have not been registered under the Securities Act or under the securities laws of any state or non-United States jurisdiction, the Series A Preferred Stock have transfer restrictions and cannot be resold in the United States except pursuant to certain resale exemptions. It is not currently contemplated that registration under the Securities Act or other securities laws will be effected. Limitations on the transfer of the Series A Preferred Stock may also adversely affect the price that you might be able to obtain for the Series A Preferred Stock in a private sale. Purchasers should be aware of the long-term nature of their investment in the Company. Each Purchaser in this Offering will be required to represent that it is purchasing the Securities for its own account, for investment purposes and not with a view to resale or distribution thereof.

Your ownership of the shares of preferred stock may be subject to dilution.
Non-major purchasers of preferred stock do not have preemptive rights. If the Company conducts subsequent offerings of preferred stock or securities convertible into preferred stock, issues shares pursuant to a compensation or distribution reinvestment plan or otherwise issues additional shares, investors who purchase shares in this offering who do not participate in those other stock issuances will experience dilution in their percentage ownership of the Company's outstanding shares. Furthermore, shareholders may experience a dilution in the value of their shares depending on the terms and pricing of any future share issuances (including the shares being sold in this offering) and the value of the Company's assets at the time of issuance.

The Securities will be equity interests in the Company and will not constitute indebtedness.
The Securities will rank junior to all existing and future indebtedness and other non-equity claims on the Company with respect to assets available to satisfy claims on the Company, including in a liquidation of the Company. Additionally, unlike indebtedness, for which principal and interest would customarily be payable on specified due dates, there will be no specified payments of dividends with respect to the Securities and dividends are payable only if, when and as authorized and declared by the Company and depend on, among other matters, the Company's historical and

projected results of operations, liquidity, cash flows, capital levels, financial condition, debt service requirements and other cash needs, financing covenants, applicable state law, federal and state regulatory prohibitions and other restrictions and any other factors the Company's board of directors deems relevant at the time. In addition, the terms of the Securities will not limit the amount of debt or other obligations the Company may incur in the future. Accordingly, the Company may incur substantial amounts of additional debt and other obligations that will rank senior to the Securities.

There can be no assurance that we will ever provide liquidity to Purchasers through either a sale of the Company or a registration of the Securities.

There can be no assurance that any form of merger, combination, or sale of the Company will take place, or that any merger, combination, or sale would provide liquidity for Purchasers. Furthermore, we may be unable to register the Securities for resale by Purchasers for legal, commercial, regulatory, market-related or other reasons. In the event that we are unable to effect a registration, Purchasers could be unable to sell their Securities unless an exemption from registration is available.

The Company does not anticipate paying any cash dividends for the foreseeable future.

The Company currently intends to retain future earnings, if any, for the foreseeable future, to repay indebtedness and to support its business. The Company does not intend in the foreseeable future to pay any dividends to holders of its shares of preferred stock.

Any valuation at this stage is difficult to assess.

Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment. In addition, there may be additional classes of equity with rights that are superior to the class of equity being sold.

The purchase agreement contains dispute resolution provisions which limit your ability to bring class action lawsuits or seek remedy on a class basis.

By purchasing Series A Preferred Stock in this offering, you agree to be bound by the dispute resolution and class action waiver provisions found in Sections 4.11 and 4.12 of the purchase agreement. Those provisions apply to claims regarding this offering. Any debate about the terms of the Series A Preferred Stock will be governed by Delaware corporate law. Under those provisions, disputes under the purchase agreement will be resolved in arbitration conducted in Delaware. Further, those provisions may limit your ability to bring class action lawsuits or similarly seek remedy on a class basis.

BUSINESS

Description of the Business

HelloMD attempts to provide a complete solution for the medical cannabis market, starting with a doctor’s consultation over Telehealth, to product selection and advice, community advice and purchase / delivery options from hundreds of licensed retailers and brand partners.

Business Plan

HelloMD is committed to building a large community of cannabis consumers online. This includes members of the medical community (doctors and nurses), retailers, brand manufacturers,

consultants and others. We have already achieved a degree of critical mass within the state of California with 130,000 registered users and over 400 retail and brand partners. We continue to see strong growth in all sectors of the community, and we anticipate that over time our community will number in the millions, with thousands of business partners across the country participating. Our unique strategy of user-generated content has created 15,000 pages of unique content including valuable questions and answers, and is increasing traffic to our website by up to 15% per month. As our community continues to grow, we intend to diversify the services we offer to customers and business partners. This will create new revenue opportunities for HelloMD from advertising services, and through the facilitation of e-commerce facilities for our partners and customers. As thousands of new doctors enter the medical cannabis market, we will add them to our community and enable them to connect with our patients. We will charge doctors for advertising placement, or directly book patient consultations on their behalf as we are doing in California. Our e-commerce capabilities will provide our customers with the ability to a) find the appropriate cannabis products for their health & wellness and b) identify purchase options from multiple sellers in our marketplace and c) make a purchase for fulfillment by one of our licensed retailers.

History of the Business

The Company was founded by Mark Hadfield in 2013. The initial goal was to connect doctors with patients online, for the purpose of medical consultations about their health concerns. Over time, we added the ability for partners to interact with our community, and for doctors to promote their services directly to our customers. In so doing, we created an ecosystem of patients, doctors, retailers, and brands who participate in the medical cannabis industry.

The Company's Products and/or Services

Product / Service	Description	Current Market
Doctor’s consultation	We charge a fee for each doctor’s consultation	We built a community of cannabis users; patients, doctors, retailers, brands, and other partners

We plan to move into product sales with fulfillment by our partners in 2017. We already have hundreds of sellers and thousands of product listings and prices.

We offer our doctor consultation service via our online website.

Competition

The Company's primary competitors are Leafly, Weedmaps, and MassRoots. Additional competitors include Telehealth services in the cannabis industry.

We compete with several companies that have already achieved a level of scale beyond our own. Our competitors include companies offering Telehealth for cannabis, and we compete with them for customers and retail partnerships. Some of our competitors have more scale and resources than us. They also may have significant traction and Internet traffic with cannabis consumers. Additionally, the market is dynamic and undergoing significant growth. We believe that we are well-positioned for success over the long run due to our unique strategy of user-generated content, and the scale of our partner ecosystem which already numbers in the hundreds. For long-term

success, it's important that we continue to grow our base of registered users, partners and content beyond California and internationally, as well as continue to build innovative new features that engage our community and provide new revenue potential for the company.

Supply Chain and Customer Base
Since we do not directly handle cannabis products, we do not have any suppliers.

Our customers include new consumers using cannabis products for health & wellness worldwide, and the brands, and retailers that support them. Our partners are not currently paying us fees, although this may change in the future.

Intellectual Property and Research and Development
Trademarks

Application or Registration #	Goods / Services	Mark	File Date	Registration Date	Country
No.4,659,066	Providing online marketplaces for sellers and buyers of medical services	'HelloMD'		December 23, 2014	United States

We are a software company which designs and builds our proprietary technology for the benefit of our customers and partners. In order to maintain and grow our ecosystem of users, doctors, retailers and others, we need to continue to design and engineer innovative new features and capabilities. Engineering and design amount to approximately 30% of our staff overhead, although this is expected to diminish marginally as the company matures.

Real Property
The Company owns or leases the following real property:

Property Address	Own or Lease	Description
810 5th Avenue, Suite 100 in San Rafael, California	Lease	Sublease Agreement between Pacific Crest Group, a California partnership, and Ondello Inc. DBA HelloMD, a California corporation. Terms were amended and extended to May 2016.

Governmental/Regulatory Approval and Compliance
Federal scheduling of cannabis as Schedule 1 drug is a barrier to the industry. Any change of this classification would be impactful to the company. Cannabis is classified as a Schedule 1 illegal substance by the Federal government.

Although we are not in direct contact with cannabis, we are considered a marijuana-related business and are therefore affected by this classification. We take care to operate in full compliance with all state and local laws which differ from state to state. The federal government under the 'Cole Memo' has implemented a policy of not interfering with companies that operate within the laws of their local jurisdictions. As we expand our business into multiple new states beyond California, we will need to ensure we continue to abide by all local laws as may be implemented from state to state. These regulations are complicated and dynamic, which imposes a legal cost of compliance upon us. We are not required to obtain specific licensing for cannabis as we are a technology platform that does not directly come into contact with cannabis plants or products.

Litigation
None

Other
The Company's principal address is 101 California Street, Suite 2710, San Francisco, CA 94111.

The Company conducts business in California.

USE OF PROCEEDS

The following table lists the use of proceeds of the Offering if certain amounts are raised based on the Company's forecast.

Use of Proceeds	% of Minimum Proceeds Raised	Amount if Minimum Raised	% of Maximum Proceeds Raised	Amount if Maximum Raised
Offering Expenses	7.5%	$7,500	7.5%	$75,000
Future Wages	35.0%	$35,000	35.0%	$350,000
Repayment of Debt	11.0%	$11,000	11.0%	$110,000
General Working Capital	33.5%	$33,500	33.5%	$335,000
Operating Expenses	13.0%	$13,000	13.0%	$130,000
Total	**100%**	**$100,000**	**100%**	**$1,000,000**

The above table of the anticipated use of proceeds is not binding on the company and is merely description of its current intentions.

We reserve the right to change the above use of proceeds if management believes it is in the best interests of the company.

DIRECTORS, OFFICERS AND EMPLOYEES

Directors
The directors or managers of the Company are listed below along with all positions and offices held at the Company and their principal occupation and employment responsibilities for the past three (3) years and their educational background and qualifications.

Name
Trevor Harries-Jones

All positions and offices held with the Company and date such position(s) was held with start and ending dates

Director, March 2017

Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates

CEO, Yola.com, May 2008

Education
SAICA, CA, Accounting and Auditing
University of Cape Town, BComm, Accounting and IT

Officers
The officers of the Company are listed below along with all positions and offices held at the Company and their principal occupation and employment responsibilities for the past three (3) years and their educational background and qualifications.

Name
Mark Hadfield

All positions and offices held with the Company and date such position(s) was held with start and ending dates

Chief Executive Officer, Director March 2013 - Present

Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates
Chief Executive Officer, March 2013 - Present

Education
University of KwaZulu – Natal, Bachelor of Commerce, Economics and Marketing Major

Name
Pamela Hadfield

All positions and offices held with the Company and date such position(s) was held with start and ending dates
Director of UX, March 2013 - Present

Principal occupation and employment responsibilities during at least the last three (3) years with start and ending dates
Director of UX, March 2013 - Present

Education
School of Visual Arts, MFA,
Massachusetts College of Art and Design, BFA, Illustration

Control/Major Decisions
The table below sets forth who can make the following major decisions with respect to the Company on behalf of the Company:

Decision	Person/Entity
Issuance of additional securities	Board of Directors
Incurrence of indebtedness	Board of Directors
Sale of property, interests or assets of the Company	Chief Executive Officer/President (as authorized by the Board of Directors)
Determination of the budget	Chief Executive Officer/President (as authorized by the Board of Directors)
Determination of business strategy	Chief Executive Officer/President (as authorized by the Board of Directors)
Dissolution of liquidation of the Company	Board of Directors

Indemnification
Indemnification is authorized by the Company to directors, officers or controlling persons acting in their professional capacity pursuant to Delaware law. Indemnification includes expenses such as attorney's fees and, in certain circumstances, judgments, fines and settlement amounts actually paid or incurred in connection with actual or threatened actions, suits or proceedings involving such person, except in certain circumstances where a person is adjudged to be guilty of gross negligence or willful misconduct, unless a court of competent jurisdiction determines that such indemnification is fair and reasonable under the circumstances.

Employees
The Company currently has 16 employees in California.

The Company has the following employment/labor agreements in place:

Employee	Description	Effective Date	Termination Date
Michael Litchfield	Full-time, Chief Marketing Officer	June 1, 2015	
Larry Lisser	Full-time, VP Business Development	June 1, 2015	
Pamela Hadfield	Full-time, UX	April 1, 2014	
Perry Solomon. MD	Part-time, Chief Medical Officer	March 1, 2015	

CAPITALIZATION AND OWNERSHIP

Capitalization

The Company has issued the following outstanding securities:

Type of security	**Pre Seed-1 Convertible Note**
Amount outstanding	$100,000
Voting Rights	No
Anti-Dilution Rights	No
Percentage ownership of the company by holders of the Series A Preferred Stock (assuming conversion of convertible securities)	5.0%

Type of security	**Pre Seed-2 Convertible Note**
Amount outstanding	$100,000
Voting Rights	No
Anti-Dilution Rights	No
Percentage ownership of the company by holders of the Series A Preferred Stock (assuming conversion of convertible securities)	2.5%

Type of security	**Pre Seed-3 Convertible Note**
Amount outstanding	$225,000
Voting Rights	No
Anti-Dilution Rights	No
Percentage ownership of the company by holders of the Series A Preferred Stock (assuming conversion of convertible securities)	3.75%

Type of security	Warrants
Amount outstanding	1,041,666 with an exercise price of $0.01 per share with expiration between 2023-2025
Voting Rights	No
Anti-Dilution Rights	No
Percentage ownership of the company by holders of the Series A Preferred Stock (assuming conversion of convertible securities)	7.31%

The Company has the following debt outstanding:

Type of debt	Bank loan
Name of creditor	Dealstruck
Amount outstanding	$74,408 as of December 31st , 2016
Interest rate and payment schedule	23.99% with bi-monthly payments of $2,064.12
Amortization schedule	Yes
Maturity date	August 2018

Ownership
A majority of the Company is owned by the founder Mark Hadfield.

Below the beneficial owners of 20% percent or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, are listed along with the amount they own.

Name	Percentage Owned Prior to Offering
Mark Hadfield	60.6%

FINANCIAL INFORMATION

Please see the financial information attached hereto in addition to the following information.

Operations

For the year ended December 31, 2016, we recorded net revenues of $1,922,653 compared to $539,950 which is a 256% increase from December 31, 2015.

The company's operating expenses consist of sales and marketing, general and administrative, and research and development. For the year ended December 31, 2016, the company's total operating expenses were $1,347,196.

We believe that our prior earnings and cash flows are not indicative of future earnings and cash flows because we intend to scale and expand revenue streams.

The Company does not expect to achieve profitability in the next 12 months and intends to focus on the following goals: expanding product sales through fulfillment through their partners.

Liquidity and Capital Resources

Although the proceeds of this offering are not necessary to the survival of the Company, in order for it to achieve its proposed business plan the proceeds of this offering or other resources are necessary.

Capital Expenditures and Other Obligations

The Company has not made any material capital expenditures in the past two years.

The Company does not intend to make any material capital expenditures in the future.

Material Changes and Other Information

None

Trends and Uncertainties

The Company does not currently believe it is subject to any trends or uncertainties.

After reviewing the above discussion of the steps the Company intends to take, potential Purchasers should consider whether achievement of each step within the estimated time frame is realistic in their judgment. Potential Purchasers should also assess the consequences to the Company of any delays in taking these steps and whether the Company will need additional financing to accomplish them.

The financial statements are an important part of this Investment Disclosure and should be reviewed in their entirety. The financial statements of the Company are attached hereto as Exhibit A.

Valuation

Based on the Offering price of the Securities, the pre-offering value ascribed to the Company is $15,000,000.

As discussed in "Dilution" below, the valuation will determine the amount by which the investor's stake is diluted immediately upon investment. An early-stage company typically sells its shares (or grants options over its shares) to its founders and early employees at a very low cash cost, because they are, in effect, putting their "sweat equity" into the company. When the company seeks cash investments from outside investors, like you, the new investors typically pay a much larger sum for their shares than the founders or earlier investors, which means that the cash value of your stake is immediately diluted because each share of the same type is worth the same amount, and you paid more for your shares (or the notes convertible into shares) than earlier investors did for theirs.

There are several ways to value a company, and none of them is perfect and all of them involve a certain amount of guesswork. The same method can produce a different valuation if used by a different person.

Liquidation Value — The amount for which the assets of the company can be sold, minus the liabilities owed, e.g., the assets of a bakery include the cake mixers, ingredients, baking tins, etc. The liabilities of a bakery include the cost of rent or mortgage on the bakery. However, this value does not reflect the potential value of a business, e.g. the value of the secret recipe. The value for most startups lies in their potential, as many early stage companies do not have many assets (they probably need to raise funds through a securities offering in order to purchase some equipment).

Book Value — This is based on analysis of the company's financial statements, usually looking at the company's balance sheet as prepared by its accountants. However, the balance sheet only looks at costs (i.e. what was paid for the asset), and does not consider whether the asset has increased in value over time. In addition, some intangible assets, such as patents, trademarks or trade names, are very valuable but are not usually represented at their market value on the balance sheet.

Earnings Approach — This is based on what the investor will pay (the present value) for what the investor expects to obtain in the future (the future return), taking into account inflation, the lost opportunity to participate in other investments, the risk of not receiving the return. However, predictions of the future are uncertain and valuation of future returns is a best guess.

Different methods of valuation produce a different answer as to what your investment is worth. Typically liquidation value and book value will produce a lower valuation than the earnings approach. However, the earnings approach is also most likely to be risky as it is based on many assumptions about the future, while the liquidation value and book value are much more conservative.

Future investors (including people seeking to acquire the company) may value the company differently. They may use a different valuation method, or different assumptions about the company's business and its market. Different valuations may mean that the value assigned to your investment changes. It frequently happens that when a large institutional investor such as a venture capitalist makes an investment in a company, it values the company at a lower price than the initial investors did. If this happens, the value of the investment will go down.

THE OFFERING AND THE SECURITIES

Description of securities

The following description is a brief summary of the material terms of this offering and is qualified in its entirety by the terms contained in the Restated Certificate of Incorporation, the Bylaws and the Purchase Agreement. The company has yet to file the Restated Certificate of Incorporation and will do so prior to any closing.

The securities offered in this offering.

Investors in this offering can purchase Series A Preferred Stock at a price of $1.05238167 per share. The terms of the Series A Preferred Stock are described below in "Classes of securities of the company".

We have set a minimum amount of $500,000 for the initial Closing.

Securities sold pursuant to Regulation D

The company is selling securities in an offering to accredited investors under Rule 506(c) under the Securities Act.

Investors who invest $50,000 or greater in the Regulation D offering will be considered "Major Purchasers," and will be entitled to some additional rights relating to their investment, including:

- greater information and inspection rights.
- if there is a next financing, they will receive the more favorable rights, if any, of major purchasers in the next financing.
- a right a first refusal for the transfer of common stock by a key holder, if the company does not exercise that right,
- participation rights granting them the right of first refusal to purchase their pro rata share of new common and preferred shares.

Classes of securities of the company

Common Stock

Dividend Rights

Holders of Common Stock are entitled to receive dividends pari passu with holders of Preferred Stock, as may be declared from time to time by the board of directors out of legally available funds. The company has never declared or paid cash dividends on any of its capital stock and currently does not anticipate paying any cash dividends after this offering or in the foreseeable future.

Voting Rights

Each holder of Common Stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders, including the election of directors.

Right to Receive Liquidation Distributions

In general, In the event of the company's liquidation, dissolution, or winding up, holders of its Common Stock will be entitled to the lesser of (i) their pro rata share among holders of Common Shares in the net assets legally available for distribution to stockholders after the payment of the liquidation preference to holder of Preferred Stock and payment of all of the company's debts and other liabilities or (ii) their pro rata share among holders of Common Shares and Preferred Stock (on an as-converted basis) after payment of all the company's debts and other liabilities.

Rights and Preferences

Holders of the company's Common Stock have no preemptive, conversion, or other rights, and there are no redemptive or sinking fund provisions applicable to the company's Common Stock.

The rights, preferences and privileges of the holders of the company's Common Stock are subject to and may be adversely affected by, the rights of the holders of shares of any series of our Series A Preferred Stock (including those offered in this offering) and any additional classes of preferred stock that we may designate in the future.

Series A Preferred Stock

Dividend Rights

Holders of Series A Preferred Stock are entitled to receive dividends pari passu with holders of Common Stock, as may be declared from time to time by the board of directors out of legally available funds. The company has never declared or paid cash dividends on any of its capital stock and currently does not anticipate paying any cash dividends after this offering or in the foreseeable future.

Voting Rights

So long as at least 25% of the original number of Series A Preferred Stock is outstanding, holders of Preferred Stock are entitled to vote on all matters submitted to a vote of the stockholders as a single class with the holders of Common Stock. Specific matters submitted to a vote of the stockholders require the approval of a majority of the holders of Preferred Stock voting as a separate class. These matters include any vote to:

- alter the rights, powers or privileges of the Series A Preferred Stock set forth in the restated certificate or bylaws, as then in effect, in a way that adversely affects the Series A Preferred Stock;
- increase or decrease the authorized number of shares of any class or series of capital stock;
- authorize or create (by reclassification or otherwise) any new class or series of capital stock having rights, powers, or privileges set forth in the certificate of incorporation, as then in effect, that are senior to or on a parity with any series of preferred stock;
- redeem or repurchase any shares of common stock or preferred stock (other than pursuant to employee or consultant agreements giving the company the right to repurchase shares upon the termination of services pursuant to the terms of the applicable agreement);

- declare or pay any dividend or otherwise make a distribution to holders of preferred stock or common stock;
- increase or decrease the number of directors;
- liquidate, dissolve, or wind-up the business and affairs of the company, effect any deemed liquidation event, or consent, agree or commit to do any of the foregoing without conditioning such consent, agreement or commitment upon obtaining approval of the holders of Series A Preferred Stock.

The Series A Preferred holders may designate one person to serve on the company's Board of Directors.

Right to Receive Liquidation Distributions

In the event of our liquidation, dissolution, or winding up, holders of our Series A Preferred Stock will be entitled to receive the greater of the original issue price, plus any dividends declared but unpaid or such amounts that they would have received had all shares of preferred shares been converted to common shares. Holders of Series A Preferred Stock receive these distributions before any holders of Common Stock.

Conversion Rights

The Series A Preferred Stock are convertible into one share of Common Stock (subject to proportional adjustments for stock splits, stock dividends and the like) at any time at the option of the holder.

Rights under the Purchase Agreement

Under the purchase agreement, investors who have invested $50,000 or greater are designated Major Purchasers. Major Purchasers are granted some additional rights and preferences under the purchase agreement, as summarized below.

If the next financing the company undertakes provides for more favorable provisions (e.g., registration rights, rights of co-sale, etc.), holders of Series A Preferred Stock will be entitled to substantially similar provisions. Further holders who are Major Purchasers under the purchase agreement relating to this offering, will be considered Major Purchasers with respect to provisions in the next financing (to the extent the major purchaser concept is used in such financing). If there is right a first refusal for the transfer of Common Stock by a key holder, and the company does not exercise that right, Major Purchasers will be entitled to exercise that right for a pro-rata share of the key holder's common stock. Major Purchasers are entitled to participation rights granting them the right of first refusal to purchase their pro rata share of new common and preferred shares.

Holders of Series A Preferred Stock are subject to a drag-along provision as set forth in the Purchase Agreement, pursuant to which, and subject to certain exemptions, each holder of shares of the company agrees that, in the event the company's Board, and a majority of both (i) the holders of the company's Common Stock then outstanding, and (ii) the holders of a majority Common Stock that is issued and issuable upon conversion of the preferred shares vote in favor of a deemed liquidation event (e.g., merger or sale of the company) and agree to transfer their respective shares,

then all holders of shares will vote in favor of the deemed liquidation event and if requested perform any action reasonably required to transfer their shares.

Dilution

The investor's stake in a company could be diluted due to the company issuing additional shares. In other words, when the company issues more shares (or additional equity interests), the percentage of the company that you own will go down, even though the value of the company may go up. You will own a smaller piece of a larger company. This increase in number of shares outstanding could result from a stock offering (such as an initial public offering, another crowdfunding round, a venture capital round, angel investment), employees exercising stock options, or by conversion of certain instruments (e.g. convertible bonds, preferred shares or warrants) into stock.

If the company decides to issue more shares, an investor could experience value dilution, with each share being worth less than before, and control dilution, with the total percentage an investor owns being less than before. There may also be earnings dilution, with a reduction in the amount earned per share (though this typically occurs only if the company offers dividends, and most early stage companies are unlikely to offer dividends, preferring to invest any earnings into the company).

The type of dilution that hurts early-stage investors most occurs when the company sells more shares in a "down round," meaning at a lower valuation than in earlier offerings. An example of how this might occur is as follows (numbers are for illustrative purposes only):

- In June 2014 Jane invests $20,000 for shares that represent 2% of a company valued at $1 million.
- In December the company is doing very well and sells $5 million in shares to venture capitalists on a valuation (before the new investment) of $10 million. Jane now owns only 1.3% of the company but her stake is worth $200,000.
- In June 2015 the company has run into serious problems and in order to stay afloat it raises $1 million at a valuation of only $2 million (the "down round"). Jane now owns only 0.89% of the company and her stake is worth only $26,660.

This type of dilution might also happen upon conversion of convertible notes into shares. Typically, the terms of convertible notes issued by early-stage companies provide that in the event of another round of financing, the holders of the convertible notes get to convert their notes into equity at a "discount" to the price paid by the new investors, i.e., they get more shares than the new investors would for the same price. Additionally, convertible notes may have a "price cap" on the conversion price, which effectively acts as a share price ceiling. Either way, the holders of the convertible notes get more shares for their money than new investors. In the event that the financing is a "down round" the holders of the convertible notes will dilute existing equity holders, and even more than the new investors do, because they get more shares for their money.

If you are making an investment expecting to own a certain percentage of the company or expecting each share to hold a certain amount of value, it's important to realize how the value of those shares

can decrease by actions taken by the company. Dilution can make drastic changes to the value of each share, ownership percentage, voting control, and earnings per share.

Tax Matters
Each prospective Purchaser should consult with his own tax and ERISA advisor as to the particular consequences to the Purchaser of the purchase, ownership, and sale of the Purchaser's Securities, as well as possible changes in the tax laws.

Related Person Transactions
From time to time the Company may engage in transactions with related persons. Related persons are defined as any director or officer of the Company; any person who is the beneficial owner of 10 percent or more of the Company's outstanding voting equity securities, calculated on the basis of voting power; any promoter of the Company; any immediate family member of any of the foregoing persons or an entity controlled by any such person or persons.

The Company has conducted the following transactions with related persons:

Loans

Related Person/Entity	Mark Hadfield
Relationship to the Company	CEO and Founder
Total amount of money involved	$90,660 as of December 31, 2016
Benefits or compensation received by related person	None
Benefits or compensation received by Company	Loan to the company
Description of the transaction	Outstanding Hadfield loan is $90,660 as of December 31, 2016

Conflicts of Interest

The Company has engaged in the following transactions or relationships, which may give rise to a conflict of interest with the Company, its operations and its security holders.

EXHIBITS

EXHIBIT A

Amended and Restated Certificate of Incorporation

ONDELLO, INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Ondello, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "***General Corporation Law***"), does hereby certify as follows.

1. The name of this corporation is Ondello, Inc. and that this corporation was originally incorporated pursuant to the General Corporation Law on March 22, 2013.

2. The Board of Directors of this corporation duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows.

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as set forth on Exhibit A attached hereto and incorporated herein by this reference.

3. Exhibit A referred to above is attached hereto as Exhibit A and is hereby incorporated herein by this reference. This Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. This Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on _____, 2017.

By: _____
Mark Hadfield, Chief Executive Officer

Exhibit A

ONDELLO, INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

ARTICLE I: NAME.

The name of this corporation is Ondello, Inc. (the "***Corporation***").

ARTICLE II: REGISTERED OFFICE.

The address of the registered office of the Corporation in the State of Delaware is 1811 Silverside Road, Wilmington, DE 19810, in the County of New Castle. The name of its registered agent at such address is Vcorp Services, LLC.

ARTICLE III: DEFINITIONS.

As used in this Amended and Restated Certificate (the "Restated Certificate"), the following terms have the meanings set forth below:

"***Board Composition***" means that for so long as at least 25% percent of the initially issued shares of Preferred Stock remain outstanding, the holders of record of the shares of Series A Preferred Stock exclusively and as a separate class, are entitled to elect one director of the Corporation (the "***Series A Director***"), and the holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect two directors of the Corporation. For administrative convenience, the initial Series A Director may also be appointed by the Board in connection with the approval of the initial issuance of Series A Preferred Stock without a separate action by the holders of a majority of Series A Preferred Stock.

"***Original Issue Price***" means $1.05 per share for the Series A Preferred Stock.

"***Requisite Holders***" means the holders of at least a majority of the outstanding shares of Preferred Stock (voting as a single class on an as-converted basis).

ARTICLE IV: PURPOSE.

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

ARTICLE V: AUTHORIZED SHARES.

The total number of shares of all classes of stock that the Corporation has authority to issue is 33,250,000, consisting of (a) 25,000,000 shares of Common Stock, $.0001 per share and (b) 8,250,000 shares of Preferred Stock, $.0001 per share. The Preferred Stock may be issued from time to time in one or more series, each of such series to consist of such number of shares and to have such terms, rights, powers and preferences, and the qualifications and limitations with respect thereto, as stated or expressed herein. As of the effective date of this Restated Certificate, all shares of the Preferred Stock of the Corporation are hereby designated "Series A Preferred Stock".

A. COMMON STOCK

The following rights, powers privileges and restrictions, qualifications, and limitations apply to the Common Stock.

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and privileges of the holders of the Preferred Stock set forth in this Restated Certificate.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). Unless required by law, there shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of the Amended and Restated Certificate) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. PREFERRED STOCK

8,250,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series A Preferred Stock.**" The following rights, powers and privileges, and restrictions, qualifications and limitations, shall apply to the Preferred Stock. Unless otherwise indicated, references to "Sections" in this Part B of this Article V refer to sections of this Part B.

1. Liquidation, Dissolution, or Winding Up; Certain Mergers, Consolidations and Asset Sales.

1.1 Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Corporation or any Deemed Liquidation Event (as defined below), before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, the holders of shares of Preferred Stock then outstanding must be paid out of the funds and assets available for distribution to its stockholders, an amount per share equal to the greater of (a) the Original Issue Price for such share of Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of Preferred Stock been converted into Common Stock pursuant to Section 3 immediately prior to such liquidation, dissolution or winding up or Deemed Liquidation Event. If upon any such liquidation, dissolution, or winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the stockholders of the Corporation are insufficient to pay the holders of shares of Preferred Stock the full amount to which they are entitled under this Section 1.1, the holders of shares of Preferred Stock will share ratably in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable in respect of the shares of Preferred Stock held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

1.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution, or winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of

shares of Preferred Stock as provided in Section 1.1, the remaining funds and assets available for distribution to the stockholders of the Corporation will be distributed among the holders of shares of Common Stock, pro rata based on the number of shares of Common Stock held by each such holder.

1.3 Deemed Liquidation Events.

1.3.1 Definition. Each of the following events is a "***Deemed Liquidation Event***" unless the Requisite Holders elect otherwise by written notice received by the Corporation at least five (5) days prior to the effective date of any such event:

(a) a merger or consolidation in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the equity securities of (1) the surviving or resulting party or (2) if the surviving or resulting party is a wholly owned subsidiary of another party immediately following such merger or consolidation, the parent of such surviving or resulting party; *provided* that, for the purpose of this Section 1.3.1, all shares of Common Stock issuable upon exercise of options outstanding immediately prior to such merger or consolidation or upon conversion of Convertible Securities (as defined below) outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, deemed to be converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of Common Stock are converted or exchanged; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or, if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation, except where such sale, lease, transfer or other disposition is to the Corporation or one or more wholly owned subsidiaries of the Corporation.

1.3.2 Amount Deemed Paid or Distributed. The funds and assets deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer or other disposition described in this Section 1.3 will be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. The value of such property, rights or securities shall be determined in good faith by the Board.

2. Voting.

2.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written

consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock may cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Fractional votes shall not be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred stock held by each holder could be converted) will be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law or by the other provisions of this Restated Certificate, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class on an as-converted basis, shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision of this Restated Certificate, to notice of any stockholder meeting in accordance with the Bylaws of the Corporation.

2.2 Election of Directors. The holders of record of the Company's capital stock are entitled to elect directors as described in the Board Composition. Any director elected as provided in the preceding sentence may be removed without cause by the affirmative vote of the holders of the shares of the class, classes, or series of capital stock entitled to elect the director or directors, given either at a special meeting of the stockholders duly called for that purpose or pursuant to a written consent of stockholders. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class, classes, or series entitled to elect the director constitutes a quorum for the purpose of electing the director.

2.3 Preferred Stock Protective Provisions. At any time when at least 25% of the initially issued shares of Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Restated Certificate) the written consent or affirmative vote of the Requisite Holders, given in writing or by vote at a meeting, consenting, or voting (as the case may be) separately as a single class:

(a) alter the rights, powers or privileges of the Preferred Stock set forth in the Restated Certificate or Bylaws, as then in effect, in a way that adversely affects the Preferred Stock;

(b) increase or decrease the authorized number of shares of any class or series of capital stock;

(c) authorize or create (by reclassification or otherwise) any new class or series of capital stock having rights, powers, or privileges set forth in the certificate of incorporation of the Corporation, as then in effect, that are senior to or on a parity with any series of Preferred Stock;

(d) redeem or repurchase any shares of Common Stock or Preferred Stock (other than pursuant to employee or consultant agreements giving the Corporation the right to repurchase shares upon the termination of services pursuant to the terms of the applicable agreement);

(e) declare or pay any dividend or otherwise make a distribution to holders of Preferred Stock or Common Stock;

(f) increase or decrease the number of directors of the Corporation;

(g) liquidate, dissolve, or wind-up the business and affairs of the Corporation, effect any Deemed Liquidation Event, or consent, agree or commit to do any of the foregoing without conditioning such consent, agreement or commitment upon obtaining the approval required by this Section 2.3.

3. Conversion. The holders of the Preferred Stock have the following conversion rights (the "**Conversion Rights**"):

3.1 Right to Convert.

3.1.1 Conversion Ratio. Each share of Preferred Stock is convertible, at the option of the holder thereof, at any time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the Original Issue Price for the series of Preferred Stock by the Conversion Price for that series of Preferred Stock in effect at the time of conversion. The "***Conversion Price***" for each series of Preferred Stock shall initially mean the Original Issue Price for such series of Preferred Stock, which initial Conversion Price, and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, is subject to adjustment as provided in this Restated Certificate.

3.1.2 Termination of Conversion Rights. Subject to Section 3.3.1 in the case of a Contingency Event herein, in the event of a liquidation, dissolution, or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights will terminate at the close of business on the last full day preceding the date fixed for the first payment of any funds and assets distributable on such event to the holders of Preferred Stock.

3.2 Fractional Shares. No fractional shares of Common Stock will be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board. Whether or not fractional shares would be issuable upon such conversion will be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

3.3 Mechanics of Conversion.

3.3.1 Notice of Conversion. To voluntarily convert shares of Preferred Stock into shares of Common Stock, a holder of Preferred Stock shall surrender the certificate or certificates for the shares of Preferred Stock (or, if such registered holder alleges that any such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that the holder elects to convert all or any number of the shares of the Preferred Stock represented by the certificate or certificates and, if applicable, any event on which the conversion is contingent (a "***Contingency***

Event"). The conversion notice must state the holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of the certificates (or lost certificate affidavit and agreement) and notice (or, if later, the date on which all Contingency Events have occurred) will be the time of conversion (the "***Conversion Time***"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such time. The Corporation shall, as soon as practicable after the Conversion Time, (a) issue and deliver to the holder, or to the holder's nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon the conversion in accordance with the provisions of this Restated Certificate and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (b) pay in cash such amount as provided in Section 3.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (c) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

3.3.2 Reservation of Shares. For the purpose of effecting the conversion of the Preferred Stock, the Corporation shall at all times while any share of Preferred Stock is outstanding, reserve and keep available out of its authorized but unissued capital stock, , that number of its duly authorized shares of Common Stock as may from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock is not be sufficient to effect the conversion of all then-outstanding shares of the Preferred Stock, the Corporation shall use its best efforts to cause such corporate action to be taken as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate. Before taking any action that would cause an adjustment reducing the Conversion Price of a series of Preferred Stock below the then-par value of the shares of Common Stock issuable upon conversion of such series of Preferred Stock, the Corporation shall take any corporate action that may be necessary so that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

3.3.3 Effect of Conversion. All shares of Preferred Stock that shall have been surrendered for conversion as provided in this Restated Certificate shall no longer be deemed to be outstanding and all rights with respect to such shares will immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Section 3.2, and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued.

3.3.4 No Further Adjustment. Upon any conversion of shares of Preferred Stock, no adjustment to the Conversion Price of the applicable series of Preferred Stock will be

made with respect to the converted shares for any declared but unpaid dividends on such series of Preferred Stock or on the Common Stock delivered upon conversion.

3.4 Adjustment for Stock Splits and Combinations. If the Corporation at any time or from time to time after the date on which the first share of a series of Preferred Stock is issued by the Corporation (such date referred to herein as the "***Original Issue Date***" for such series of Preferred Stock) effects a subdivision of the outstanding Common Stock, the Conversion Price for each series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of that series will be increased in proportion to the increase in the aggregate number of shares of Common Stock outstanding. If the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock combines the outstanding shares of Common Stock, the Conversion Price for each series of Preferred Stock in effect immediately before the combination will be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this Section 3.4 becomes effective at the close of business on the date the subdivision or combination becomes effective.

3.5 Adjustment for Certain Dividends and Distributions. If the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock makes or issues, or fixes a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Conversion Price for such series of Preferred Stock in effect immediately before the event will be decreased as of the time of such issuance or, in the event a record date has been fixed, as of the close of business on such record date, by multiplying such Conversion Price then in effect by a fraction:

(a) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of the issuance or the close of business on the record date, and

(b) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately before the time of such issuance or the close of business on the record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date has have been fixed and the dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, such Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Price shall be adjusted pursuant to this Section 3.5 as of the time of actual payment of such dividends or distributions; and (ii) no such adjustment shall be made if the holders of such series of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock that they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of the event.

3.6 Adjustments for Other Dividends and Distributions. If the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock shall

makes or issues, or fixes a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock), then and in each such event the Corporation shall make, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution to the holders of the series of Preferred Stock in an amount equal to the amount of securities as the holders would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

3.7 Adjustment for Reclassification, Exchange and Substitution. If at any time or from time to time after the Original Issue Date for a series of Preferred Stock the Common Stock issuable upon the conversion of such series of Preferred Stock is changed into the same or a different number of shares of any class or classes of stock of the Corporation, whether by recapitalization, reclassification, or otherwise (other than by a stock split or combination, dividend, distribution, merger or consolidation covered by Sections 3.4, 3.5, 3.6 or 3.8 or by Section 1.3 regarding a Deemed Liquidation Event), then in any such event each holder of such series of Preferred Stock may thereafter convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which such shares of Preferred Stock could have been converted immediately prior to such recapitalization, reclassification or change.

3.8 Adjustment for Merger or Consolidation. Subject to the provisions of Section 1.3, if any consolidation or merger occurs involving the Corporation in which the Common Stock (but not a series of Preferred Stock) is converted into or exchanged for securities, cash, or other property (other than a transaction covered by Sections 3.5, 3.6 or 3.7), then, following any such consolidation or merger, the Corporation shall provide that each share of such series of Preferred Stock will thereafter be convertible, in lieu of the Common Stock into which it was convertible prior to the event, into the kind and amount of securities, cash, or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Preferred Stock immediately prior to the consolidation or merger would have been entitled to receive pursuant to the transaction; and, in such case, the Corporation shall make appropriate adjustment (as determined in good faith by the Board) in the application of the provisions in this Section 3 with respect to the rights and interests thereafter of the holders of such series of Preferred Stock, to the end that the provisions set forth in this Section 3 (including provisions with respect to changes in and other adjustments of the Conversion Price of such series of Preferred Stock) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of such series of Preferred Stock.

3.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section 3, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 15 days thereafter, compute such adjustment or readjustment in accordance with the terms of this Restated Certificate and furnish to each holder of such series of Preferred Stock a certificate setting forth the adjustment or readjustment (including the kind and amount of securities, cash, or other property into which such series of Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of any series of Preferred

Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (a) the Conversion Price of such series of Preferred Stock then in effect and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash, or property which then would be received upon the conversion of such series of Preferred Stock.

3.10 Mandatory Conversion. Upon either (a) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders at the time of such vote or consent, voting as a single class on an as-converted basis (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent, the "***Mandatory Conversion Time***"), (i) all outstanding shares of Preferred Stock will automatically convert into shares of Common Stock, at the applicable ratio described in Section 3.1.1 as the same may be adjusted from time to time in accordance with Section 3 and (ii) such shares may not be reissued by the Corporation.

3.11 Procedural Requirements. The Corporation shall notify in writing all holders of record of shares of Preferred Stock of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to Section 3.10. Unless otherwise provided in this Restated Certificate, the notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of the notice, each holder of shares of Preferred Stock shall surrender such holder's certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 3. If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Section 3.10, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 3.11. As soon as practicable after the Mandatory Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall issue and deliver to such holder, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 3.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock (and the applicable series thereof) accordingly.

4. Dividends. Dividends will be paid only as if and when declared. The Corporation shall declare all dividends pro rata on the Common Stock and the Preferred Stock on a pari passu basis according to the number of shares of Common Stock held by such holders. For this purpose each holder of shares of Preferred Stock will be treated as holding the greatest whole number of shares of Common Stock then issuable upon conversion of all shares of Preferred Stock held by such holder pursuant to Section 3.

5. Redeemed or Otherwise Acquired Shares. Any shares of Preferred Stock **that** are redeemed or otherwise acquired by the Corporation or any of its subsidiaries will be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following any such redemption.

6. Waiver. Any of the rights, powers, privileges and other terms of the Preferred Stock set forth herein may be waived prospectively or retrospectively on behalf of all holders of Preferred Stock by the affirmative written consent or vote of the holders of the Requisite Holders.

7. Notice of Record Date. In the event:

(a) the Corporation takes a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation shall send or cause to be sent to the holders of the Preferred Stock a written notice specifying, as the case may be, (i) the record date for such dividend, distribution, or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) will be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. The Corporation shall send the notice at least 20 days before the earlier of the record date or effective date for the event specified in the notice.

8. Notices. Except as otherwise provided herein, any notice required or permitted by the provisions of this Article V to be given to a holder of shares of Preferred Stock must be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given

by electronic communication in compliance with the provisions of the General Corporation Law, and will be deemed sent upon such mailing or electronic transmission.

ARTICLE VI: PREEMPTIVE RIGHTS.

No stockholder of the Corporation has a right to purchase shares of capital stock of the Corporation sold or issued by the Corporation except to the extent that such a right may from time to time be set forth in a written agreement between the Corporation and the stockholder.

ARTICLE VII: STOCK REPURCHASES.

In accordance with Section 500 of the California Corporations Code, a distribution can be made without regard to any preferential dividends arrears amount (as defined in Section 500 of the California Corporations Code) or any preferential rights amount (as defined in Section 500 of the California Corporations Code) in connection with (i) repurchases of Common Stock issued to or held by employees, officers, directors, or consultants of the Corporation or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase, (ii) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its subsidiaries pursuant to rights of first refusal contained in agreements providing for such right, (iii) repurchases of Common Stock or Preferred Stock in connection with the settlement of disputes with any stockholder, or (iv) any other repurchase or redemption of Common Stock or Preferred Stock approved by the holders of Preferred Stock of the Corporation.

ARTICLE VIII: BYLAW PROVISIONS.

A. AMENDMENT OF BYLAWS. Subject to any additional vote required by this Restated Certificate or bylaws of the Corporation (the "*Bylaws*"), in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws.

B. NUMBER OF DIRECTORS. Subject to any additional vote required by this Restated Certificate, the number of directors of the Corporation will be determined in the manner set forth in the Bylaws.

C. BALLOT. Elections of directors need not be by written ballot unless the Bylaws so provide.

D. MEETINGS AND BOOKS. Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board or in the Bylaws.

ARTICLE IX: DIRECTOR LIABILITY.

A. LIMITATION. To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article IX to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended. Any repeal or modification of the foregoing provisions of this Article IX by the stockholders will not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any

director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

B. INDEMNIFICATION. To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

The Corporation shall indemnify (including the advance of expenses to), to the fullest extent permitted by applicable law, any director or officer of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***Proceeding***") by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding. The Corporation shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized by the Board.

The Corporation shall have the power to indemnify, to the extent permitted by the Delaware General Corporation Law, as it presently exists or may hereafter be amended from time to time, any employee or agent of the Corporation who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding.

C. MODIFICATION. Any amendment, repeal, or modification of the foregoing provisions of this Article IX will not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ARTICLE X: CORPORATE OPPORTUNITIES.

The Corporation renounces any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, or in being informed about, an Excluded Opportunity. "***Excluded Opportunity***" means any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any affiliate, partner, member, director, stockholder, employee, agent or other related person of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (a "***Covered Person***"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

ARTICLE XI: FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article XI shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article XI (including, without limitation, each portion of any sentence of this Article XI containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

* * * * *

EXHIBIT B

Financial Statements

Ondello, Inc.

A Delaware Corporation

Financial Statements (Unaudited) and Independent Accountant's Review Report December 31, 2016 and 2015

Ondello, Inc.

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To the Stockholders
of Ondello, Inc.
San Francisco, California

A. INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying financial statements of Ondello, Inc. (the "*Company*"), which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of operations, changes in stockholders' equity (deficiency), and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

B. Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

C. Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

D. Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

E. Going Concern

As discussed in Note 3, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern.

Artesian CPA, LLC

Artesian CPA,
LLC

Denver, Colorado
April 29, 2017

Artesian CPA, LLC
1624 Market Street, Suite 202 | Denver, CO 80202
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www.ArtesianCPA.com

ONDELLO, INC.

F. BALANCE SHEETS (UNAUDITED)

As of December 31, 2016 and 2015

	2016	2015
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 150,601	$ 33,182
Prepaid expenses	-	500
Accounts receivable	500	2,500
Total Current Assets	151,101	36,182
Non-Current Assets:		
Property and equipment, net	29,240	22,323
Total Non-Current Assets	29,240	22,323
TOTAL ASSETS	$ 180,341	$ 58,505
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)		
Liabilities:		
Current Liabilities:		
Accounts payable	$ 26,012	$ 22,967
Due to related party	90,660	213,340
Accrued interest payable	79,315	51,123
Deferred compensation	1,275,120	796,610
Term loan - current portion	40,312	29,067
Convertible note payable - current portion	325,000	275,000
Total Current Liabilities	1,836,419	1,388,107
Long-Term Liabilities:		
Term loan, net of current portion	34,096	-
Convertible notes payable, net of current portion	100,000	50,000
Total Long-Term Liabilities	134,096	50,000
Total Liabilities	1,970,515	1,438,107
Stockholders' Equity (Deficiency):		
Common Stock, $0.0001 par, 25,000,000 shares authorized, 10,521,718 and 10,521,718 shares issued and outstanding, 9,340,648 and 9,817,726 shares vested, as of December 31, 2016 and 2015, all respectively	1,052	1,052
Additional paid-in capital	630	630
Stock subscription receivable	(882)	(882)
Accumulated deficit	(1,790,974)	(1,380,402)
Total Stockholders' Equity (Deficiency)	(1,790,174)	(1,379,602)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIENCY)	$ 180,341	$ 58,505

See Independent Accountant’s Review Report and accompanying notes, which are an integral part of these financial statements.

ONDELLO, INC.

G. STATEMENTS OF OPERATIONS (UNAUDITED)

For the years ended December 31, 2016 and 2015

	2016	2015
Net revenues	$ 1,922,653	$ 539,950
Costs of net revenues	(906,701)	(151,877)
Gross profit	1,015,952	388,073
Operating Expenses: General & administrative	957,939	537,878
Development	307,202	146,515
Sales & marketing	82,055	61,888
Total Operating Expenses	1,347,196	746,281
Loss from operations	(331,244)	(358,208)
Other Income/(Expense):		
Interest expense	(79,328)	(29,831)
Total Other Income/(Expense)	(79,328)	(29,831)
Provision for income taxes	-	-
Net loss	$ (410,572)	$ (388,039)

See Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

ONDELLO, INC.

H. STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIENCY) (UNAUDITED)

For the years ended December 31, 2016 and 2015

	Common Stock					
	Number of Shares	Amount	Additional Paid-In Capital	Stock Subscription Receivable	Accumulated Deficit	Total Stockholders' Equity (Deficiency)
Balance at December 31, 2014	12,071,718	$ 1,207	$ -	$ (407)	$ (992,363)	$ (991,563)
Issuance of common stock	700,000	70	630	(700)	-	-
Repurchase of common stock	(2,250,000)	(225)	-	225	-	-
Net loss	-	-	-	-	(388,039)	(388,039)
Balance at December 31, 2015	10,521,718	$ 1,052	$ 630	$ (882)	$ (1,380,402)	$ (1,379,602)
Issuance of common stock	-	$ -	$ -	$ -	$ -	$ -
Net loss	-	-	-	-	(410,572)	(410,572)
Balance at December 31, 2016	10,521,718	$ 1,052	$ 630	$ (882)	$ (1,790,974)	$ (1,790,174)

See Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

ONDELLO, INC.

STATEMENTS OF CASH FLOWS (UNAUDITED)

I. For the years ended December 31, 2016 and 2015

	2016	2015
Cash Flows From Operating Activities		
Net Loss	$ (410,572)	$ (388,039)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	7,208	2,870
Changes in operating assets and liabilities:		
(Increase)/Decrease in accounts receivable	2,500	(2,500)
(Increase)/Decrease in prepaid expenses	-	(500)
Increase/(Decrease) in accounts payable	3,045	1,577
Increase/(Decrease) in accrued interest payable	28,192	27,500
Net Cash Used In Operating Activities	(369,627)	(359,092)
Cash Flows From Investing Activities		
Purchase of property and equipment	(14,125)	(18,596)
Net Cash Used In Investing Activities	(14,125)	(18,596)
Cash Flows From Financing Activities		
Deferred compensation	478,510	258,360
Proceeds from term loans, net of repayments	45,341	29,067
Proceeds from issuance of convertible note payable	100,000	-
Advances/(repayments) from related parties	(122,680)	100,000
Net Cash Provided By Financing Activities	501,171	387,427
Net Change In Cash	117,419	9,739
Cash at Beginning of Period	33,182	23,443
Cash at End of Period	$ 150,601	$ 33,182
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -

See accompanying Independent Accountant's Review Report and accompanying notes, which are an integral part of these financial statements.

ONDELLO, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
As of December 31, 2016 and 2015 and for the years then

NOTE 1: NATURE OF OPERATIONS

Ondello, Inc. (the "*Company*"), is a corporation organized March 22, 2013 under the laws of Delaware. The Company does business as HelloMD. The Company provides an online community for medial cannabis patients to connect patients, doctors, retailers, and brands. The Company is headquartered in California.

J. NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (GAAP).

The Company adopted the calendar year as its basis of reporting. Use of

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all highly liquid securities with an original maturity of less than three months to be cash equivalents. The Company's cash and cash equivalents in bank deposit accounts, at times, may exceed federally insured limits.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at their estimated collectible amounts. Accounts receivable are periodically evaluated for collectability based on past credit history with clients and other factors. Provisions for losses on accounts receivable are determined on the basis of loss experience, known and inherent risk in the account balance, and current economic conditions. As of December 31, 2016 and 2015, the Company determined all receivables are collectible and therefore has not recorded an allowance for doubtful accounts.

Property and Equipment

Property and equipment are recorded at cost when purchased. Depreciation is recorded for property and equipment using the straight-line method over the estimated useful lives of assets, estimated at 3 years for all assets to date. The Company reviews the recoverability of all long-lived assets, including the related useful lives, whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset might not be recoverable. Depreciation charges on property and equipment totaled $7,208 and $2,870 for the years ended December 31, 2016 and 2015, respectively. The Company's property and equipment consisted of the following as of December 31, 2016 and 2015:

	2016	2015
Computers and equipment	$ 40,548	$ 26,423
Accumulated depreciation	(11,308)	(4,100)
Property and equipment, net	$ 29,240	$ 22,323

Stock Subscription Receivable

The Company records stock issuances at the effective date. If the subscription is not funded upon issuance, the Company records a stock subscription receivable as an asset on a balance sheet. When stock subscription receivables are not received prior to the issuance of financial statements at a reporting date in satisfaction of the requirements under FASB ASC 505-10-45-2, the stock subscription receivable is reclassified as a contra account to stockholders' equity (deficiency) on the balance sheet.

Fair Value of Financial Instruments

Financial Accounting Standards Board ("*FASB*") guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).

Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

The carrying amounts reported in the balance sheets approximate their fair value. Revenue

Recognition

The Company recognizes revenue when: (1) persuasive evidence exists of an arrangement with the customer reflecting the terms and conditions under which products or services will be provided;
(2) delivery has occurred or services have been provided; (3) the fee is fixed or determinable; and
(4) collection is reasonably assured.

ONDELLO, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
As of December 31, 2016 and 2015 and for the years then

Income Taxes

The Company uses the liability method of accounting for income taxes as set forth in ASC 740, *Income Taxes*. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is unlikely that the deferred tax assets will be realized.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon its evaluation of the facts, circumstances and information available at the reporting date. In accordance with ASC 740-10, for those tax positions where there is a greater than 50% likelihood that a tax benefit will be sustained, our policy is to record the largest amount of tax benefit that is more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit will be recognized in the financial statements. The Company has determined that there are no material uncertain tax positions.

The Company accounts for income taxes with the recognition of estimated income taxes payable or refundable on income tax returns for the current period and for the estimated future tax effect attributable to temporary differences and carryforwards. Measurement of deferred income items is based on enacted tax laws including tax rates, with the measurement of deferred income tax assets being reduced by available tax benefits not expected to be realized in the immediate future. As of December 31, 2016 and 2015, respectively, the Company had net operating loss carryforwards of
$698,342 and $442,375, deferred compensation of $1,275,120 and $796,610 that is not tax deductible until payment, temporary differences in depreciation between GAAP basis and tax basis, and various differences related to tax filings being on the cash basis. The Company pays Federal and California income taxes at rates of approximately 34% and 8.8%, respectively, and has used an effective blended rate of 39.8% to derive net tax assets of $757,276 and $465,076 as of December 31, 2016 and 2015, respectively. Due to uncertainty as to the Company's ability to generate sufficient taxable income in the future to utilize the net operating loss carryforwards before they begin to expire in 2033, the Company has recorded a full valuation allowance to reduce the net deferred tax asset to zero.

The Company files U.S. federal and state income tax returns. The 2016 tax returns have not yet been filed as of the issuance of these financial statements. All tax periods since inception remain open to examination by the taxing jurisdictions to which the Company is subject.

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective, accounting standards could have a material effect on the accompanying financial statements. As new accounting pronouncements are issued, we will adopt those that are applicable under the circumstances.

ONDELLO, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
As of December 31, 2016 and 2015 and for the years then

K. NOTE 3: GOING CONCERN

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred net losses of $410,572 and $388,039 for the years ended December 31, 2016 and 2015, respectively, and current liabilities exceed current assets by $1,685,318 as of December 31, 2016. The Company's ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to obtain capital financing from investors sufficient to meet current and future obligations and deploy such capital to produce profitable operating results.

Management has evaluated these conditions and plans to generate revenues and raise capital from outside investors to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

L. NOTE 4: STOCKHOLDERS' EQUITY (DEFICIENCY)

The Company authorized 25,000,000 shares of common stock at $0.0001 par value. As of each December 31, 2016 and 2015, 10,521,718 shares of common stock were issued and outstanding.

In 2015, the Company issued a total of 700,000 shares of common stock to two employees at $0.001 per share.

In 2015, an employee of the Company terminated services with the Company, and resultantly, the Company repurchased 2,250,000 unvested shares of common stock from the employee at the original purchase price of $0.0001 per share.

All stock issuances to date were conducted under terms of restricted stock purchase agreements and are subject to vesting terms contingent upon continuous service with the Company, which provide the Company the right to repurchase unvested shares at the original purchase price. Unvested shares totaled 1,181,070 and 703,992 as of December 31, 2016 and 2015, respectively. Unvested shares vest over a weighted average period of 27 months as of December 31, 2016.

M. NOTE 5: WARRANTS

The Company issued stock warrants to various persons since inception, with 316,667, 724,999, 711,718, and 0 warrants issued in 2013, 2014, 2015, and 2016, respectively. All but two agreements vested at issuance, with the other two being on 2014 issuances that completed vesting in 2015, and therefore all warrants are fully vested as of December 31, 2016 and 2015. The warrants expire between 2023 and 2025, which a weighted average duration to expiration of 7.4 years. A summary of information related to warrants as of December 31, 2016 and 2015 is as follows:

ONDELLO, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
As of December 31, 2016 and 2015 and for the years then

	December 31, 2016		December 31, 2015	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Outstanding - beginning of year	1,753,384	$ 0.001	1,041,666	$ 0.001
Granted	-	$ 0.001	711,718	$ 0.001
Exercised	-	$ -	-	$ -
Forfeited	-	$ -	-	$ -
Outstanding - end of year	1,753,384	$ 0.001	1,753,384	$ 0.001
Exercisable at end of year	1,753,384	$ 0.001	1,753,384	$ 0.001
Weighted average grant date fair value of warrants granted during year	$ -		$ -	
Weighted average duration to expiration of outstanding warrants at year-end (years)	7		8	

The Company measures warrants at grant-date fair value and recognizes associated expenses on a straight-line basis over the vesting period of the award. Determining the appropriate fair value of warrants requires the input of subjective assumptions, including the fair value of the Company's common stock, and expected stock price volatility. The Company used the Black-Scholes option pricing model to value its warrants. The assumptions used in calculating the fair value of warrants represent management's best estimates and involve inherent uncertainties and the application of management's judgment. As a result, if factors change and management uses different assumptions, warrant related expenses could be materially different for future warrant issuances. The Company determined the expenses associated with warrant issuances for the years ended December 31, 2016 and 2015 were trivial and therefore did not recognize expense related to the warrant issuances.

N. NOTE 6: DEBT

DealStruck Loan

The Company entered into a financing arrangement with Dealstruck in 2016. The balance due as of December 31, 2016 and 2015 was $74,408 and $0, respectively. This loan bears interest at approximately 24%, requires biweekly payments of $2,064, and matures in August 2018. $40,312 of the principal balance is a current liability payable in 2017 and $34,096 is a long-term liability payable in 2018.

Kabbage Loan

The balance due under this short-term loan as of December 31, 2016 and 2015 was $0 and $29,067, respectively. The loan was repaid in full in February 2016.

Convertible Notes Payable

In 2013-2014, the Company issued five convertible notes payable for total principal of $325,000. The convertible promissory notes bear interest at 10% (one note for $100,000 principal is instead at

5% interest). The convertible notes mature after 24-30 month terms between June 2015 and March 2017, and therefore $275,000 of the convertible notes are passed maturity as of December 31, 2016.

A convertible note payable was issued in 2016 for $100,000 principal, bearing interest at 3%, and maturing in April 2019.

The notes' principal and accrued interest is automatically convertible into the Company's equity upon the next qualified equity financing of its preferred stock (as further defined in the agreement, with the financing required to exceed $2,000,000 for $325,000 of the notes and $6,000,000 for
$100,000 of the notes) at a price per share equal to the lesser of 80% of the price per share paid by the investors in the triggering financing or the price per share implied by a pre-money valuation ($2,000,000 for $100,000 of principal, $6,000,000 for $225,000 of principal) on the fully diluted capitalization of the Company (as defined in the agreement).

If there is no qualified equity financing prior to maturity, the outstanding principal balance shall be convertible at the election of the noteholder at any time on or after the maturity date, into the price per share implied by a pre-money valuation ($2,000,000 for $100,000 of principal, $6,000,000 for
$225,000 of principal) on the fully diluted capitalization of the Company (as defined in the agreement).

As of December 31, 2016, the convertible promissory notes have not been converted and remained outstanding in the full principal amounts. The Company analyzed the notes for beneficial conversion features, and concluded the conversion terms did not constitute beneficial conversion features.

Accrued interest on the notes as of December 31, 2016 and 2015 was $79,315 and $51,123, respectively.

O. NOTE 7: RELATED PARTY TRANSACTIONS AND BALANCES

The Company has borrowed funds from an officer of the Company to fund operational needs since inception. The balances due to the officer as of December 31, 2016 and 2015 were $90,660 and
$213,340, respectively. These balances bear no interest and are payable on demand.

Several employees and officers of the Company have agreed to defer portions of their salaries annually since inception. The balances due under these arrangements were $1,275,120 and $796,610 as of December 31, 2016 and 2015, respectively. These balances bear no interest and are payable at the discretion of the Company's board of directors.

P. NOTE 8: CONTINGENCIES, RISKS, AND UNCERTAINTIES

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations.

The Company operates within the cannabis industry, which is federally illegal and therefore creates various risks and uncertainties that cannot be predicted or quantified at this time.

Q. NOTE 9: SUBSEQUENT EVENTS

Stock Issuances

In March 2017, the Company issued 70,000 shares of common stock to a service provider for $0.10 per share under a restricted stock purchase agreement, where shares vest prorata over 24 months. Commencing March 15, 2017.

In March 2017, the Company issued a total of 2,620,000 shares of common stock to two employees for $0.01 per share under restricted stock purchase agreements, where 1,037,207 of these shares vested immediately and the remaining unvested shares vest monthly commencing April 1, 2017 at 54,584 per month.

Management's Evaluation

Management has evaluated subsequent events through April 29, 2017, the date the financial statements were available to be issued. Based on this evaluation, no additional material events were identified which require adjustment or disclosure in these financial statements.

PART J

GLOBAL SIGNATURE PAGE

This Global Signature Page constitutes the signature page for the Subscription Agreement and the Investor Questionnaire relating to the offering of Units of Membership Interest in **Appian Two, LLC**, a Delaware limited liability company. Execution of this signature page constitutes execution of the Subscription Agreement (inclusive of the Attestation to Receipt and Review of Target Disclosures) and the Investor Questionnaire and authorizes one or more of the Principals of the Investment Entity to execute the Investment Entity's Operating Agreement on behalf of Subscriber pursuant to the Power of Attorney set forth in the Subscription Agreement.

IN WITNESS WHEREOF, THE Subscriber has executed this Global Signature Page this ___ day of _____, 2017.

Total Subscription Amount: $_____

Units being purchased: _____
($1,000 per Unit)

_____
(Name of Investor)

_____
(Signature)

_____
(Title of signatory if entity investor))

ACCEPTANCE BY THE INVESTMENT ENTITY

The foregoing subscription is hereby accepted by the undersigned manager of the Investment Entity with respect to an aggregate Commitment in the amount set forth below:

Accepted Subscription Amount: $_____
(to be completed by the Principals)

Dated of Acceptance: _____

Appian Two, LLC,
a Delaware limited liability company

By:_____
Name:_____
Title:_____