

**JOINDER TO OPERATING AGREEMENT  
FOR  
CARDS AND COFFEE, LLC  
a California limited liability company**

As of the Effective Date set forth below, the undersigned agrees to become, and will be deemed for all purposes to be, a signatory to the Operating Agreement of Cards and Coffee, LLC (the “**Company**”) dated July 13, 2020, a copy of which has been provided (the “**Operating Agreement**”), as a Member holding Class B Units with the same force and effect as if a direct signatory thereto. The undersigned will be entitled to all of the rights and benefits of a Member holding the Class B Units as of the Effective Date, and agrees to be bound by all of the terms and conditions of, and to assume all of the obligations of a Member under, the Operating Agreement with respect to any interest in the Company which such Member now owns or hereafter acquires, whether by purchase, gift or assignment or otherwise. All of the terms, provisions, representations, warranties, covenants and undertakings set forth in the Operating Agreement with respect to a Member are incorporated by reference into this document and will be legally binding upon the undersigned and inure to the benefit of the undersigned.

This document may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which shall constitute one agreement.

Effective Date: \_\_\_\_\_

Company: Cards and Coffee, LLC

By: \_\_\_\_\_  
Dan Fleyshman, Manager

Member: \_\_\_\_\_

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

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

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE STATE SECURITIES OR BLUE SKY LAWS OF ANY JURISDICTION, IN RELIANCE UPON THE AVAILABILITY OF EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS. THE COMPANY IS RELYING UPON THE REPRESENTATIONS OF THE SUBSCRIBER SET FORTH IN THIS SUBSCRIPTION AGREEMENT IN ESTABLISHING THE AVAILABILITY OF SUCH EXEMPTIONS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SUCH AUTHORITY MADE ANY RECOMMENDATION AS TO THEIR PURCHASE OR THE MERITS OF THIS OFFERING. ANY REPRESENTATION CONTRARY TO THE FOREGOING IS A CRIMINAL OFFENSE.

## **SUBSCRIPTION AGREEMENT**

### **Cards and Coffee, LLC a California limited liability company**

1. Subscription. Subject to the terms and conditions of this Subscription Agreement (this “Agreement”), the undersigned (“Subscriber”) hereby subscribes to purchase and acquire Class B membership units (the “Units”) of Cards and Coffee, LLC, a California limited liability company (the “Company”) in the amount set forth on the signature page hereof for a per unit purchase price of \$5.6324 (the “Purchase Price”), payable in immediately available funds within two days following the Company’s notice of the acceptance of Subscriber’s subscription. The Units are being issued pursuant to, and the Units and Subscriber’s rights as a member of the Company will be governed by and subject to the terms and conditions set forth in, the Company’s Operating Agreement, a copy of which has been provided to Subscriber, as may be amended from time to time (the “Operating Agreement”). Subscriber agrees to become, and will be deemed for all purposes to be, a signatory to the Operating Agreement as a Class B Member, with the same force and effect as if it had been an original signatory thereto, and will be entitled to all of the rights and benefits of a Class B Member, and agrees to be bound by all of the terms and conditions of, and to assume all of the obligations of a Class B Member under the Operating Agreement with respect to any interest in the Company which it now owns or hereafter acquires. The Company presently intends to offer up to 1,065,265 Class B Units to investors which, when fully subscribed and issued will constitute approximately Ten Percent (10.00%) of the total issued Membership Units of the Company.

2. Deliverables; Acceptance of Subscription. Subscriber will execute and deliver to the Company this Agreement and the Operating Agreement, and concurrently cause to be delivered to the Company the aggregate Purchase Price, as set forth on the signature page, as payment for the Units. Once the executed version of this Agreement and the Operating Agreement has been submitted to the Company, this subscription will be deemed an irrevocable offer by Subscriber. The Company shall have the right to accept or reject this subscription, in whole or in part. This subscription shall be deemed to be accepted by the Company only when it is signed by the manager of the Company. If the Company rejects this subscription, in whole or in part, then the Company will promptly return the Purchase Price (or the rejected portion

thereof) to Subscriber. Once accepted by the Company, this subscription shall be irrevocable.

3. Representation and Warranties of Subscriber. Subscriber hereby represents and warrants to and covenants with the Company that:

(a) Subscriber has adequate means of providing for Subscriber's current needs and possible contingencies, and Subscriber has no need now, and anticipates no need in the foreseeable future, to sell the Units for which Subscriber hereby subscribes. Subscriber is able to bear the economic risks of this investment, and consequently, without limiting the generality of the foregoing, is able to hold the Units for an indefinite period of time and has a sufficient net worth to sustain a loss of Subscriber's entire investment in the Units in the event such loss should occur.

(b) Subscriber has existing specific familiarity with the Company and is knowledgeable and experienced in finance, securities and investments and has had sufficient experience analyzing and investing in securities similar to the Units so as to be capable of evaluating the merits and risks of an investment in the Units.

(c) Subscriber recognizes that Subscriber's investment in the Units involves a high degree of risk that may result in the loss of the total amount of the investment. Subscriber acknowledges that Subscriber has carefully considered all risks incident to the purchase of the Units. Subscriber has reviewed and understands the Risk Factors set forth on Exhibit A.

(d) Subscriber is acquiring the Units for Subscriber's own account (as principal) or for the account of Subscriber's spouse (either in a joint tenancy, tenancy by the entirety or tenancy in common) for investment and not with a view to the distribution or resale of all or any part thereof.

(e) Subscriber is an "accredited investor" as that term is defined in Rule 501(a) of the Securities Act of 1933, as amended (the "Securities Act").

(f) Subscriber has not offered or sold any portion of the Units and has no present intention of dividing Subscriber's Units with others or of reselling or otherwise disposing of any portion of Subscriber's Units either currently or after the passage of a fixed or determinable period of time or upon the occurrence or nonoccurrence of any predetermined event or circumstance.

(g) Subscriber recognizes that no federal or state agency has passed upon the Units or made any finding or determination as to the fairness of an investment in the Units.

(h) Subscriber has a pre-existing personal or business relationship with the manager of the Company or has the means and experience in evaluating investment opportunities of this nature by reason of his business or financial experience or the business or financial experience of his professional advisers who are unaffiliated with the Company.

(i) Subscriber (and Subscriber's purchaser representative, if any) has been given the opportunity to meet with the manager ("Official") of the Company and to have such Official answer any questions regarding the terms and conditions of this particular investment, including the Risk Factors set forth on Exhibit A, and all such questions have been answered to

Subscriber's full satisfaction. Subscriber acknowledges receipt of all information requested of the Company that Subscriber deemed necessary in order to make an informed decision concerning an investment in the Units. Subscriber has evaluated the risk of investing in the Units and is acquiring the Units based only upon Subscriber's independent examination and judgment as to the prospects of the Company as determined from the information in Subscriber's possession or obtained directly by Subscriber from the Company.

(j) Subscriber has not received any offer to acquire the Units pursuant to any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio or pursuant to attendance at any seminar or meeting to which Subscriber was invited by such general solicitation or general advertising.

(k) Other than as set forth in this Agreement or the Operating Agreement, Subscriber has received no representations from the Company or its Official, Affiliates, employees or agents about the Company, its prospects, its business, its finances or any other matter. In making a decision to subscribe for the Units, Subscriber has relied solely upon independent investigations made by Subscriber (and Subscriber's purchaser representative, if any) without assistance of the Company or its Official, Affiliates, employees or agents. "Affiliate" means any person or entity controlling, controlled by or under common control with the Company.

(l) Subscriber understands that except as required under applicable law the Units are non-voting and, in accordance with its business plan, the Company does not intend to make distributions (other than Tax Distributions, as defined in the Operating Agreement) for at least one year, if ever.

(m) Subscriber understands and agrees that (i) the Units will not be registered under applicable securities laws, and (ii) a legend in substantially the following form will be placed on the certificate(s) evidencing such units, if any, in addition to any other legend required by law or other agreement:

THE SECURITY REPRESENTED BY THIS CERTIFICATE: (I) HAS BEEN ISSUED PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES OR BLUE SKY LAWS IN RELIANCE UPON THE REPRESENTATION OF THE HOLDER HEREOF THAT THE SAME IS ACQUIRED FOR INVESTMENT PURPOSES; AND (II) MAY NOT BE RESOLD, TRANSFERRED OR CONVEYED IN THE ABSENCE OF REGISTRATION PURSUANT TO THE APPLICABLE SECURITIES LAWS OR UNLESS AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FIRST OBTAINED THAT SUCH IS NOT THEN NECESSARY. ANY TRANSFER CONTRARY HERETO IS VOID.

THE SECURITY REPRESENTED HEREBY AND THE SALE, ASSIGNMENT, TRANSFER, GIFT, BEQUEST, PLEDGE OR OTHER DISPOSITION THEREOF ARE SUBJECT TO CERTAIN RESTRICTIONS CONTAINED IN THE COMPANY'S OPERATING AGREEMENT, A COPY OF WHICH WILL BE FURNISHED BY THE COMPANY TO THE HOLDER HEREOF WITHOUT CHARGE UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS OR REGISTERED OFFICE

(n) The information regarding Subscriber that is contained on the signature page hereto and in the Investor Questionnaire (attached as Annex I) is true and correct.

(o) Subscriber confirms that Subscriber has been advised to consult with Subscriber's attorney regarding legal matters concerning this investment and the Company and to consult with Subscriber's tax advisors regarding the tax consequences of investing in the Company, before making this investment.

(p) Subscriber has full capacity, power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby, and no further proceedings on the part of Subscriber are necessary to approve and authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Subscriber and constitutes a valid and binding agreement, enforceable against Subscriber in accordance with its terms, except as the enforceability hereof may be subject to applicable bankruptcy, insolvency, reorganization, or other similar laws affecting creditors' rights generally and to general principles of equity.

(q) Neither the execution and delivery by Subscriber of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with any of the provisions hereof, will (1) result in a violation of any order, writ, injunction, decree, judgment, ruling, of any court or governmental authority, or to the best knowledge of Subscriber, any law, rule, or regulation, applicable to Subscriber, (2) result in the breach of or otherwise affect any of the terms, conditions, or provisions of, any Units, bond, mortgage, indenture, deed of trust, license, franchise, permit, contract, agreement, or other instrument or commitment or obligation of Subscriber, or (3) require any consent or approval of, or notice to, or filing or registration with, any person, except for those consents, approvals, notices, filings or registrations which have been obtained, given or made, as the case may be, and which are unconditional and in full force and effect.

(r) Subscriber understands that the Company is relying in large part on Subscriber's representations and warranties as set forth in this Agreement (including the Investor Questionnaire attached as Annex I) for purposes of claiming exemptions from the above referenced securities registration qualification requirements under the Securities Act and applicable state securities laws.

(s) Subscriber has received, completed and returned to the Company the Investor Questionnaire attached as Annex I relating to Subscriber's general ability to bear the risks of an investment in the Company and Subscriber hereby affirms the accuracy of Subscriber's answers in such Investor Questionnaire. All information which Subscriber has provided to the Company concerning Subscriber, Subscriber's financial condition, and Subscriber's knowledge of financial and business matters, or in the case of a corporation, partnership, limited liability company, trust, or other entity, the knowledge of financial and business matters of the person making the investment decision on behalf of such entity, is correct and complete as of the date set forth at the end of this Agreement, and if there should be any adverse change in such information before Subscriber's subscription is accepted by the Company, Subscriber will immediately provide the Company with such information.

(t) Subscriber has full capacity, power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby, and no further proceedings on the part of Subscriber are necessary to approve and authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Subscriber and constitutes a valid and binding agreement, enforceable against Subscriber in accordance with its terms, except as the enforceability hereof may be subject to applicable bankruptcy, insolvency, reorganization, or other similar laws affecting creditors' rights generally and to general principles of equity.

(u) Neither the execution and delivery by Subscriber of this Agreement, nor the consummation of the transactions contemplated hereby, nor compliance with any of the provisions hereof, will (1) result in a violation of any order, writ, injunction, decree, judgment, ruling, of any court or governmental authority, or to the best knowledge of Subscriber, any law, rule, or regulation, applicable to Subscriber, (2) result in the breach of or otherwise affect any of the terms, conditions, or provisions of, any units, stock, bond, mortgage, indenture, deed of trust, license, franchise, permit, contract, agreement, or other instrument or commitment or obligation of Subscriber, or (3) require any consent or approval of, or notice to, or filing or registration with, any person, except for those consents, approvals, notices, filings or registrations which have been obtained, given or made, as the case may be, and which are unconditional and in full force and effect.

4. Indemnification. Subscriber acknowledges that Subscriber understands the meaning and legal consequences of the representations, warranties, covenants and certifications set forth in Section 3 hereof and that the Company has relied and will rely upon such representations, warranties, covenants and certifications, and Subscriber hereby agrees to indemnify, defend, and hold harmless the Company and its Official, and their respective agents and employees, from and against any and all loss, damage or liability, joint or several, and any action in respect thereof, to which any such person may become subject due to or arising out of Subscriber's breach of any such representation, warranty or covenant or the inaccuracy of such certifications. Notwithstanding the foregoing, however, no representation, warranty, acknowledgment or agreement made herein by Subscriber shall in any manner be deemed to constitute a waiver of any rights granted to Subscriber under federal or state securities laws. Subscriber further holds harmless the Company and Official from any tax liability respecting the issuance of the Units pursuant to Section 1.

5. Confidentiality. Subscriber acknowledges that the Company has or will make available to Subscriber certain customer lists, product information, business plans, performance standards, and other confidential and/or proprietary information of the Company or its Affiliates, or licensed to the Company or its Affiliates, including without limitation trade secrets, copyrighted materials, financial statements, reports, data, and other non-public information (collectively, the "Confidential Material"). Except as essential to Subscriber's obligations under this Agreement or other duties to the Company, Subscriber will not make any disclosure or duplication of any of the Confidential Material or any use of the Confidential Material other than as is reasonably necessary solely in connection with the evaluation of Subscriber's investment hereunder (which may include the disclosure of Confidential Material to Subscriber's accountant

and attorney, provided they also agree to maintain it as strictly confidential). Immediately upon request from the Company, Subscriber will return to the Company all Confidential Material. Nothing contained in this Section 5 will prevent Subscriber from providing Confidential Material in compliance with a valid court order issued by a court of competent jurisdiction, providing Subscriber first provides written notice to the Company in order that the Company has a reasonable opportunity to seek a protective order or other judicial relief, and takes reasonable steps to prevent other dissemination of the Confidential Material.

6. Representations and Warranties of Company. The Company hereby represents, warrants and covenants to Subscriber that:

(a) the Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of California;

(b) all actions on the part of the Company, its Official and members necessary for the authorization of the offering of the Units to Subscriber, the authorization, execution and delivery of this Agreement have or upon acceptance of this subscription will have been taken, and the performance of all obligations of the Company hereunder shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with its terms;

(c) the Units upon issuance, will be duly and validly authorized, issued, fully paid and non-assessable; and

(d) the execution, delivery, and performance of this Agreement will not cause or require the Company to breach any obligation to, or agreement or confidence with, any other person or entity.

7. Survival. All representations, warranties, covenants and certifications contained in this Agreement, and the indemnification and confidentiality provisions set forth in Sections 4 and 5, and the provisions of Section 6, shall survive the acceptance of this subscription and the delivery of the Units.

8. Governing Law; Jurisdiction. This Agreement shall be construed in accordance with and governed in all respects by the internal laws of the State of California, without regard to principles of conflicts of law requiring the application of the law of another jurisdiction. If any Subscriber believes the Company or the Manager have breached this Agreement, or otherwise wishes to assert a claim in connection with this Agreement or the transaction contemplated hereby, such Subscriber will provide the Company and the Manager written notice of such alleged breach or claim with reasonable specificity and the Company and/or the Manager, as applicable, will have thirty (30) calendar days to cure such breach before the Subscriber may resort to any legal action (other than a filing which is reasonably determined to be necessary to avoid the expiration of a statute of limitation). All actions and proceedings arising in connection with this Agreement must be tried and litigated exclusively in binding arbitration administered by JAMS in its San Diego, California location in accordance with its Streamlined Arbitration Rules; provided, however, that if the dispute does not qualify for the Streamlined Arbitration



Rules then the Comprehensive Arbitration Rules will apply. Each party authorizes and accepts service of process sufficient for personal jurisdiction in any action against it as contemplated by this Section by registered or certified mail, return receipt requested, postage prepaid, to its address for the giving of notices set forth in this Agreement.

9. Assignment; Waiver. The failure of any party to insist upon strict performance of any covenant or obligation hereunder, irrespective of the length of time for which such failure continues, shall not be a waiver of such party's right to demand strict compliance in the future. No consent or waiver, express or implied, to or of any breach or default in the performance of any obligation hereunder shall constitute a consent or waiver to or of any other breach or default in the performance of the same or any other obligation hereunder. This Agreement is not assignable by Subscriber without the prior written consent of the Company. Any attempted assignment without such consent shall be void.

10. Additional Information. Within ten days after receipt of a written request from the Company, Subscriber shall provide such information and execute and deliver such documents as may be reasonably necessary to comply with this Agreement and any laws, regulations, and/or ordinances to which the Company is subject.

11. Counterparts and Effectiveness. This Agreement may be executed in counterparts utilizing one or more separate signature pages and signatures may be submitted by copy, facsimile, PDF or other electronic transmission, each of which is deemed an original and all of which together constitute one document. This Agreement will not be binding upon the Company unless and until a fully executed copy hereof is delivered by the Company to Subscriber.

12. Use of Proceeds. The Company may use the proceeds of this subscription for general operational and business purposes.

13. Drafting Ambiguities. Each party to this Agreement and its legal counsel have reviewed and revised this Agreement. The rule of construction that ambiguities are to be resolved against the drafting party or in favor of the party receiving a particular benefit under an agreement may not be employed in the interpretation of this Agreement or any amendment to this Agreement.

14. Prior Understandings. This Agreement and all documents specifically referred to and executed in connection with this Agreement: (i) contain the entire and final agreement of the parties to this Agreement with respect to the subject matter of this Agreement; and (ii) supersede all negotiations, stipulations, understandings, agreements, representations and warranties, if any, with respect to such subject matter, which precede or accompany the execution of this Agreement.

***[Signature page follows]***

## SIGNATURE PAGE TO SUBSCRIPTION AGREEMENT

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement as of \_\_\_\_\_, 2023.

Subscriber is (check one):

<input type="checkbox"/> Individual	<input type="checkbox"/> Tenants in common	<input type="checkbox"/> Trust
<input type="checkbox"/> Joint Tenants with right of survivorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation
	<input type="checkbox"/> Other (Specify: _____)	

### Amount of Subscription:

\_\_\_\_\_ Class B Units x \$5.6324 per Class B Unit = \$\_\_\_\_\_ (the "Purchase Price")

### Subscriber (name in which the Units should be registered):

[Name of Subscriber]

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

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

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

ADDRESS OF SUBSCRIBER

Subscriber's residence address  
(not business address):

---

Subscriber's address for notices:

---

Business telephone number:

---

Subscriber's Social Security or  
Taxpayer Identification Number:

---

ACCEPTANCE

Cards and Coffee, LLC hereby accepts the foregoing subscription subject to the terms and conditions thereof as of the \_\_\_\_day of \_\_\_\_\_, 2023.

Cards and Coffee, LLC

By: \_\_\_\_\_  
Dan Fleyshman, Manager

## **EXHIBIT A**

### **RISK FACTORS**

#### **CERTAIN RISK FACTORS**

*The purchase of Units in the Company involves a high degree of risk. The Subscribers have carefully considered the risks described below. The risks and uncertainties described below are not exclusive. Additional risks and uncertainties not presently known or that the Company currently deems immaterial may also impair its business operations. If one or more of the following risks actually occur, the Company's business operations and financial condition could be materially adversely affected. In that case, an investor may lose all or part of his financial participation. As used below, "Operator" refers to the Company's management.*

#### **GENERAL BUSINESS RISKS (including those pertaining to the retail and trading card industries)**

##### **The Operator may not choose successful locations; No lease term.**

The Operator has the sole authority to select the geographic location to operate the Company's business (the "Business"). Selecting a location for the Business is a very speculative activity. The Company may rely on the advice of third-party advisors regarding site selection. There is no assurance that such advice will be accurate or that the Company will choose locations that will be successful. The Company's initial location is on a month-to-month lease, which gives the Company flexibility but also creates risk that the landlord may require the Company move its store on very short notice (which could be disruptive to the operation).

##### **We might not be successful in achieving our investment objectives if there are significant changes in the economic and regulatory environment surrounding the Business activities.**

Our anticipated investment in the retail and trading card industries will be subject to risks related to national economic conditions, changes in local market conditions, changes in interest rates, changes in the values of all assets owned or held as collateral by the Company, governmental rules and fiscal policies, and other factors beyond the control of the Operator. Changes in these economic and regulatory factors could cause consumers to refrain from visiting our Business, reduce the amount customers pay, reduce any potential tax benefits, or otherwise render unattractive some of the ways we do business.

Income may be affected by many factors including, but not limited to: (1) the inability to achieve or maintain gross revenues as anticipated; (2) the lack of acceptance by the local community of the Company's products and services; (3) adverse local conditions, such as competitive conditions; (4) adverse changes in the availability cost of advertising; (5) federal, state, and local governmental regulation; and (6) catastrophes such as fires, earthquakes and floods. Income is subject to various factors, including the above, and may fluctuate from time to time, whereas some expenses related to the retail industry, such as interest rates, taxes, utility costs, maintenance costs and insurance, tend either to be fixed or to increase.

##### **The Company is dependent upon consumer trends.**

The Company currently intends to exclusively develop and operate the Business targeted to a specific group of consumers. The Company's Business is, by its nature, dependent upon consumer trends with respect to public's tastes, demands, desires, and spending priorities, all of which can shift rapidly. In general, such trends are significantly affected by many factors, including, but not limited to, the national, regional or local economy, changes in demographics, public perception and attitudes, increases in

regional and national competition, labor costs, traffic patterns, weather, natural disasters and the availability and relative cost of various resources. Any negative change in any of the above factors, or others, could negatively impact trends and therefore also adversely impact the Company.

**Weakened global economic conditions may adversely affect our industry, business and results of operations.**

Our overall performance depends in part on worldwide economic conditions. The United States and other key international economies may be impacted by a recession in the near future, characterized by falling demand for a variety of goods and services, restricted credit, going concern threats to financial institutions, major multinational companies and medium and small businesses, poor liquidity, declining asset values, reduced corporate profitability, extreme volatility in credit, equity and foreign exchange markets and bankruptcies. These conditions affect the rate of spending by customers in the retail or trading card industries and could adversely affect our customers' ability or willingness to spend on luxury goods which could adversely affect our operating results. In addition, in a weakened economy, companies that have competing products may reduce prices which could also reduce our average selling prices and harm our operating results.

**Failure of our strategic relationships to attract customers could harm our Business.**

The Company may establish relationships with various people and entities to assist the Company in promoting the Business, sourcing our inventory, and selling our products. The Company also plans to establish new relationships with businesses and individuals that complement its strategic objectives. The Company cannot be certain that any of these relationships will be successful in attracting customers, be successful in generating additional sales, that it will be able to maintain these relationships, or that it will be able to enter into similar relationships in the future. Current strategic relationships may change over time or be terminated, and the Company may be unable to establish additional strategic relationships in the future.

**The Company's operating results may fluctuate.**

The Company's operating results could vary from period to period as a result of a number of factors, including but not limited to, the demand for our products, the performance of alternative investments, spending patterns of customers, economic conditions, unemployment rates, acts of nature, pandemic and illness, changes in political and social climate(s), the availability of credit, changes in applicable laws and regulations, and changes in interest rates. These factors could cause the Company's performance to differ from investor expectations.

**Inaccurate forecasting or changes in consumer demand may render our inventory obsolete and decrease our sales.**

A number of factors including rapidly changing trends in consumer tastes and preferences, changes in supply and demand, and forecasting variables subject us to inventory risk. It is critical to our success we are reasonably accurate in our forecasts of consumer demand, but it is possible that our forecasts will be incorrect. Also, the demand for specific products can change for a number of reasons (including without limitation additional supply reaching the market, player performance or off-the-field issues, social or political circumstances, and other causes) between the time the products are ordered by us and the date we receive and sell them.

**Failure to successfully maintain and promote our Business may adversely affect our Business.**

Building and maintaining recognition of the Company's Business is critical to attracting and expanding its customer base. Because of the plan to continue building brand recognition, the Company will need to increase our financial commitment to creating and maintaining brand awareness and cannot be certain that its marketing efforts will attract new customers, retain existing customers or encourage repeat business. If these efforts do not result in an associated increase in our sales, the Business would be adversely affected.

**Facilities and systems are vulnerable to natural disasters and other unexpected problems which could damage the Company's reputation or brands and reduce net sales.**

The occurrence of an earthquake, fire, flood or other natural disaster or unanticipated problems, such as power loss, telecommunications failure, damage to the retail store or to the inventory, break-in or theft, any of which could cause increased costs, interruptions or delays in the Business and/or render the Company unable to provide services. The occurrence of any or all of these events could damage the Company's reputation and brand and impair its Business.

**The Company's competitors are larger, more diversified, and may have extensive experience in the retail or trading card industry.**

The Company is a development stage company and, accordingly, its competitors are larger, more diversified, and may have more experience in the retail or trading card industry. The Company will compete with others engaged in the retail industry, many of whom have greater financial resources and experience than the Operator or the Company. Competition in this market niche depends upon a number of factors including access to high quality merchandise, reliability, expertise of personnel, quality of service and support services, access to capital and operating history.

**The inability to attract and retain qualified employees could significantly harm the Business.**

The Company will depend upon leading experts in the industry and other management, operations, sales, marketing, and advertising professionals. The market for qualified professionals is highly competitive and historically has experienced a high rate of turnover. In addition, if a key employee leaves the company there is an increased likelihood that others will follow. Competition for qualified personnel may lead to increased hiring and retention costs. If the Company is unable to attract or retain a sufficient number of qualified personnel at manageable costs, the Company may be unable to complete build its brand, grow the Business and attract customers, which will ultimately reduce revenues and would have an adverse effect on the ability to implement its business plan.

**The Business of owning and operating a retail store is highly speculative and involves substantial risks.**

The Business of owning and operating retail stores and engaging in the sale of trading cards is highly speculative and involves substantial risks. The rate of failure of retail stores is very high. Factors bearing upon the success include, among others, the concept and decor of the facility, the attractiveness and familiarity of its name and concept, the location and accessibility of the establishment, the reputation and customer experience, and the experience and skill of management, as each of these factors bears directly on customer acceptance. The Company cannot assure that the Business that is developed will garner a meaningful level of customer acceptance. Its failure to do so would have a material adverse effect on results of operation and financial condition.

**The retail and trading cards industries are intensely competitive, and failure to compete successfully would have a material adverse effect on a Subscriber's investment.**

The Business of owning and operating a retail store and engaging in the sale of collectible goods is intensely competitive, and consists of national and regional chain operators, as well as small local and niche operators. Many competitors have greater capital resources and access to capital, a longer operating history, customer loyalty, more meaningful ties to the local community, and the ability to expend greater sums for advertising and promotional activities, and the Company may not be able to successfully compete against them in the marketplace. If it cannot successfully compete, the Company's financial condition and results of operations and, in turn, a Subscriber's investment will be materially and adversely effected.

**Failure to timely obtain the necessary permits and licenses required to operate the proposed Business could materially adversely affect the Business.**

The development, ownership and operation of the Business will be subject to various federal, state and local laws, regulations and administrative practices affecting the industry and the Business. Difficulties in timely obtaining the necessary permits and licenses, or complying with applicable rules and regulations could increase our projected costs, or materially adversely affect operations.

**There is no assurance that the Business will be successful.**

The future success of the Company will be dependent on, among other things, market acceptance for the Business, negotiation of acceptable lease terms, the hiring of skilled management and other personnel, the general ability to successfully manage growth (including monitoring the Business, controlling costs, and maintaining effective quality controls) and the availability of adequate financing.

**The retail and other relevant industries is subject to extensive regulation.**

The retail industry is subject to federal, state and local governmental regulations, including regulations relating to public health and safety, zoning, and fire codes. The failure to obtain, renew, or retain licenses or permits, or the Business suffering from a citation or shut down relating to an inspection or otherwise, would adversely affect the operations of the Business. Similarly, the channels that the Company intends to use to market the business may be subject to increased regulatory scrutiny and regulation which could adversely impact our performance.

**Increase in costs will adversely affect results of operations.**

The Company's profitability is dependent on its ability to anticipate and react to changes in operating costs, including inventory, labor, occupancy costs (including utilities and energy), insurance and supplies costs. Various factors beyond its control, including climatic changes and government regulations, may affect these costs. The recent volatility in certain collectible goods markets, which have experienced significant increases in prices, may have an adverse effect on the Company.

**We may not be successful in implementing our strategic priorities, which may have a material adverse impact on our Business and financial results.**

Our Business depends upon our ability to implement our strategic priorities, which we believe necessary to support the Company's continued growth and long-term value. There can be no assurance that we will be able to continue to successfully implement our strategic priorities or whether these



strategic priorities will be successful, and a failure of either could impede our growth and negatively affect our operating results.

**The challenges of competing with the many retail and trading cards businesses may result in reductions in our revenue and operating margins.**

We will compete with many well-established companies, on the basis of quality of merchandise, customer service, product expertise, atmosphere, location and overall consumer experience. Our success depends, in part, upon our popularity and our ability to develop experiences that appeal to consumers. Shifts in consumer preferences away from our products and services or away from trading cards could harm our business. We compete with online retailers and other brick and mortar retailers selling collectible goods and/or trading cards. Many of our competitors, or potential competitors, have substantially greater financial and other resources than we do, which may allow them to react to changes in the market quicker than we can. In addition, aggressive pricing by our competitors or the entrance of new competitors into our markets, could reduce our revenue and operating margins.

**The Company may be subject to liability claims and lawsuits.**

The Company faces a risk of liability claims. Any such liability claims may include allegations of defects or failure to deliver products as advertised. If the Company cannot successfully defend itself against liability claims, it may incur substantial liabilities, have permits or license revoked or be required to close and cease operation of the Business. Regardless of the merits or eventual outcome, liability claims may result in: decreased demand for the Company's products and services; injury to the Company's reputation and significant negative media attention; significant costs to defend resulting litigation; substantial monetary awards to users; loss of revenue; and reduced resources of the Company's management to pursue its business strategy.

## **GENERAL INVESTMENT RISKS**

**There is limited past performance.**

The Company has limited operating history. The Company has limited assets. As a result, a Subscriber will not be able to review the past performance of the Company to determine the likelihood of achieving the Company's objectives.

**The Company has limited working capital.**

An investment in the Company is highly speculative and is only a suitable investment for an investor who recognizes the significant level of risks involved, has no need for liquidity in the investment, and who can afford a total loss of his investment. As a result of the significant expenditures that the Company plans to make in organizing operations, advertising, promoting the products and services, and attracting customers, the Company may incur significant operating losses and have negative net cash flow from operations on both a quarterly and annual basis for the foreseeable future. For these and other reasons, there can be no assurance that the Company will ever achieve its goals or be able to sustain profitability.

**The Company may not be able to raise additional equity capital.**

There is no assurance that the Company will be able to raise additional equity capital in an amount that is sufficient to continue operations after the capital contributions of the Subscribers have been used. Although the Company believes that the capital contributions of the Subscribers will fund the inventory and operating costs, there can be no assurance that the Company will have sufficient funds to support operations. If the Company requires additional financing, the Company may seek such financing through bank borrowing, debt or other equity financing, partnerships or otherwise. There can be no assurance that such financing will be available on acceptable terms, if at all. Any additional financing may involve the sale of additional securities on terms that the Company has not yet established any of which may result in dilution or impact the Subscriber's rights to distributions or profits.

**No market studies have been performed.**

No studies regarding the effect of this endeavor have been conducted. In formulating the Company's business plan, the Company has relied on the judgment of the Operator and consultants. The effect of the sale of the Units has not been analyzed for its effect on the Company's operations, its ability to obtain funds or financing. As a result, the Company may not become profitable and a Subscriber may lose his entire investment.

**The investment will be subject to an arbitrary offering price.**

The price of the Units has been determined based upon the Operator's opinion and the Company's anticipated expenses. The price of the Units is no indication of its value or the value of Company assets. No assurance is or can be given that any of the Units could be sold for the initial capital contributions or for any amount. Furthermore, all Units are subject to transfer restrictions as described in the Operating Agreement of the Company.

**Operator will have broad discretion in the application of the Company funds.**

The Company has discretion concerning how to utilize funds contributed by the Subscribers. Although the Company has designated a general use for the proceeds in its budget, the Operator shall have wide discretion as to the exact priority and timing of the allocation of funds which may vary significantly depending upon numerous factors. The Operator may utilize the funds in ways in which not all the Subscribers may agree.

**Risk of borrowing and indebtedness.**

The risk associated with an investment in the Company depends on, among other factors, the amount of debt the Company incurs. The Company may incur indebtedness in the future for the purpose of maintaining operations or funding working capital needs. Lender(s) may require restrictions on future borrowings, distributions and operating policies. Borrowing increases business risks.

Debt service increases the expense of operations since the Company will be responsible for retiring the debt and paying the attendant interest, which will result in less Distributable Cash. Increases in interest rates could increase the amount of debt payments and adversely affect the Company's ability to make distributions to Subscribers. Our payment requirements under the any future debt instrument will reduce our financial resources to operate the Business which may adversely affect the Company from achieving its objectives.

If we are unable to comply with the debt payment requirements and or otherwise default, the lender may foreclose on our assets which would prevent us from being able to continue to operate the Business.

**Investment may be subject to risks arising under securities laws.**

The Units are being sold to Subscribers pursuant to the exemptions from registration requirements under the Securities Act. However, if these representations are inaccurate with respect to a material fact or if this offering otherwise fails to qualify for an exemption under federal or state securities laws, then the Subscribers may have certain rights under federal or state securities laws to rescind purchase and receive back his capital contribution in full, plus interest less income received upon the tender of the securities purchased by him. If some Subscribers were to successfully seek rescission, the Company could face severe financial demands that could adversely affect it as a whole, including the interests of non-rescinding Subscribers.

**Investment in the Company is highly speculative.**

Investment in the Company is speculative and by investing, each Subscriber assumes the risk of losing such Subscriber's entire capital investment. There is no guarantee of any return on a Subscriber's investment. A Subscriber may lose some or all of such Subscriber's investment. Only Subscribers who are able to bear the loss of their entire investment should consider acquiring the Units, and Subscribers should not invest more than they can afford to lose.

**A Subscriber should not rely on forward-looking statements.**

Documents made available to the Subscribers contain forward-looking statements involving risks and uncertainties. These statements relate to future events or the Company's future financial performance. Any statement that is not a reference to historical fact is a forward-looking statement. For example, in some cases, one can identify forward-looking statements by terminology such as "*could*," "*may*," "*will*," "*should*," "*expect*," "*plan*," "*intend*," "*anticipate*," "*believe*," "*estimate*," "*predict*," "*potential*" or "*continue*," the negative of such terms, or other comparable terminology. These statements are only hypotheses and predictions. Actual events or results may, and often do, differ materially. In evaluating these statements, a Subscriber should specifically consider various important factors, including the risks described herein. These factors may cause actual results to differ materially from any forward-looking statement. All financial and budgetary information provided was an estimate and in draft form and should not be relied upon.

Although the Company believes the expectations reflected in all forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of any forward-looking statements. The Company is under no duty to update any of the forward-looking statements to conform them to actual results or to changes in the Company's expectations.

**Subscribers will have no control over operations.**

Subscribers will have no voting rights, no control over the Operator, no involvement in the management of the Company and must rely almost exclusively on the Operator. The Operator has complete authority to make decisions and delegate responsibility to others regarding day-to-day operations. The Operator may take actions with which the Subscribers disagree.

**There will not be a market for the Units and there will be restrictions placed on their transfer.**

There will not be a public market for the Units. Because the Units are being sold in accordance with exemptions from the registration and/or qualification requirements of federal and state securities laws, resale or further transfer of the Units is highly restricted by such securities laws. Additionally, the transfer of the Units is restricted by the Operating Agreement.

**The Company may not pay dividends or other distributions.**

Due to the uncertainties associated with the Business, the Company is unable to predict with any certainty when or if the Company will pay dividends or other distributions. The Company may not pay any cash distributions in the future.

## ANNEX I

### Investor Questionnaire Instructions

This Investor Questionnaire (“Questionnaire”) is being provided to persons who have expressed an interest in investing in Cards and Coffee, LLC, a California limited liability company (the “Company”). The purpose of this Questionnaire is to assure the Company and its management that the issuance of its Membership Units (the “Units”) to potential investors will be exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), and any applicable state securities laws.

The proposed issuance of the Units will not be registered under the Securities Act or the securities laws of any state or jurisdiction. The Units will be offered only to knowledgeable investors who have a pre-existing personal or business relationship with the Company or its manager, or by reason of their business or financial experience or the business or financial experience of their professional advisors who are unaffiliated with and who are not compensated by the Company or any affiliate or selling agent of the Company, directly or indirectly, and could be reasonably assumed to have the capacity to protect their own interests in connection with the purchase of the Units.

By signing and returning this Questionnaire, each prospective investor represents that he or it has performed such investigations and reviewed such information as the investor deems appropriate and necessary in connection with his or its investment in the Company, including the Risk Factors set forth in Exhibit A to the appended Subscription Agreement.

**Please complete, sign, date, and return one copy of this Questionnaire to the Company c/o Dan Fleyshman, Manager, together with the Subscription Agreement.** Some of the questions contained in this Questionnaire require descriptive answers. To the extent there is insufficient space on this Questionnaire to complete your answer to a particular question, please continue your answer on a separate page and attach all additional pages to the end of this Questionnaire. To the extent Subscriber is an individual, fill out Part I, only; to the extent Subscriber is an entity rather than an individual, please fill out only Part II.

## **PART I**

(For Subscribers who are Individuals or Grantor Trusts)

### **PLEASE TYPE OR PRINT LEGIBLY**

1. Name \_\_\_\_\_
2. Residence Address \_\_\_\_\_
3. Phone \_\_\_\_\_
4. Marital Status:    ☐ Unmarried  
                             ☐ Unmarried (with spousal equivalent<sup>1</sup>)  
                             ☐ Married (spouse living at address listed above)  
                             ☐ Married (spouse living elsewhere)

If married or unmarried with spousal equivalent, name of spouse or spousal equivalent:

- 
5. **Accredited Investor Certification:** Please initial the line next to each item that is true:

- (a)        ☐ Subscriber is a business in which all the equity owners are accredited investors;
- (b)        ☐ Subscriber is a natural person who has individual net worth, or joint net worth with the person's spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase;<sup>2</sup>
- (c)        ☐ Subscriber is a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;<sup>3</sup>

---

<sup>1</sup> For purposes of this Questionnaire, "**spousal equivalent**" means a cohabitant occupying a relationship generally equivalent to that of a spouse.

For purposes of this Questionnaire, "**net worth**" means total assets (including real property, personal property and other assets) in excess of total liabilities, but with the following adjustments: (i) "**net worth**" excludes the value of the Subscriber's primary residence; (ii) "**net worth**" excludes the related amount of indebtedness secured by the Subscriber's primary residence (such as a mortgage or home equity line of credit) up to its present fair market value if such indebtedness was either incurred more than 60 days prior to the purchase of a Class B Unit or incurred for the purpose of acquiring the Subscriber's primary residence; and (iii) indebtedness secured by the Subscriber's primary residence in excess of the value of the residence must be considered a liability and deducted from the Subscriber's net worth.

For purposes of this item, "**income**" or "**joint income**" means adjusted gross income as reported for U.S. federal income tax purposes, including any income attributable to a spouse or spousal equivalent or to property owned by a spouse or spousal equivalent (if determining joint income), increased by the following amounts (including any amounts attributable to a spouse or spousal equivalent or to property owned by a spouse or spousal equivalent): (i) the amount of any interest income received which is tax-exempt under Section 103 of the Internal Revenue Code, as

(d) \_\_\_\_\_Subscriber is a revocable trust that may be amended or revoked at any time by the grantors, and all the grantors and sources of funding meet the qualifications described in Section 5 (a), (b) or (c) above), not formed to acquire the securities offered; or it has more than \$5,000,000 in assets, it was not formed for the purpose of investing in the fund, and its trustee is a sophisticated person (under [Rule 501\(a\)\(7\)](#));

(e) \_\_\_\_\_Subscriber is a natural person holding in good standing one or more professional certifications or designations or other credentials from an accredited educational institution that the SEC has designated as qualifying an individual for accredited investor status; or

(f) \_\_\_\_\_Subscriber is a natural person who is a “knowledgeable employee,” as defined in Rule 3c-5(a)(4) under the Investment Company Act of 1940, of the private-fund issuer of the securities being offered or sold.

Executed on \_\_\_\_\_, 2023

I declare under penalty of perjury that the foregoing is true and correct.

Signature: \_\_\_\_\_

Print or Type Name: \_\_\_\_\_

---

may be amended (the “Code”), (ii) the amount of losses claimed as a limited partner in a limited partnership (as reported on Schedule E of Form 1040), (iii) any deduction claimed for depletion under Section 611 et seq. of the Code, and (iv) any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Section 1202 of the Code prior to its repeal by the U.S. Tax Reform Act of 1986.

**PART II**

(For Purchasers which are Entities)

**PLEASE TYPE OR PRINT LEGIBLY**

1. Entity Name\_\_\_\_\_
2. State of Organization\_\_\_\_\_Date of Organization \_\_\_\_\_
3. Type of Entity\_\_\_\_\_
4. Telephone\_\_\_\_\_
5. Company Business Address \_\_\_\_\_

7. Are you any of the following?:

- a. A bank as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940, as may be amended (the "Investment Advisers Act") or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act; an insurance company as defined in Section 2(13) of the Securities Act; an investment company registered under the Investment Company Act of 1940, as amended (the "Investment Company Act") or a business development company as defined in Section 2(a)(48) of the Investment Company Act; a small business investment company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act; 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 such plan has total assets in excess of \$5,000,000; or an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, 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.

\_\_\_\_Yes                      \_\_\_\_No

- b. A private business development company as defined in Section 202(a)(22) of the Investment Advisors Act.

\_\_\_\_Yes                      \_\_\_\_No

- c. An organization described in Section 501(c)(3) of the Internal Revenue Code,



corporation, Massachusetts or similar business trust, partnership, or limited liability company, not formed for the specific purpose of acquiring the securities offered, and having total assets in excess of \$5,000,000.

☐ Yes ☐ No

- d. A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities, whose purchase is directed by a sophisticated person as described in Securities and Exchange Commission Rule 506(b)(2)(ii).

☐ Yes ☐ No

- e. An entity in which all of the equity owners are Accredited Investors (as defined on the next page).

☐ Yes ☐ No

- f. An entity, of a type not listed above, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000.

☐ Yes ☐ No

- g. A family office as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act (i) with assets under management in excess of \$5,000,000, (ii) that is not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment.

☐ Yes ☐ No

- h. A “family client,” as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act, of a family office meeting the requirements in Section 7(g) above of this and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (a)(12)(iii).

☐ Yes ☐ No

Executed on \_\_\_\_\_, 2023

I declare under penalty of perjury that the foregoing is true and correct.

Name of entity: \_\_\_\_\_

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

Its: \_\_\_\_\_

## Accredited Investors Definition

Under the Securities Act, a company that offers or sells its securities must register the securities with the SEC or find an exemption from the registration requirements. The Act provides companies with a number of exemptions. For some of the exemptions, such as rule [506](#) of [Regulation D](#), a company may sell its securities to what are known as "accredited investors."

The federal securities laws define the term accredited investor in [Rule 501 of Regulation D](#) as:

1. a bank, savings and loan association, insurance company, registered investment company, business development company, or small business investment company or rural business investment company
2. an SEC-registered broker-dealer, SEC- or state-registered investment adviser, or exempt reporting adviser
3. 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 such plan has total assets in excess of \$5 million
4. an employee benefit plan (within the meaning of the Employee Retirement Income Security Act) if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million
5. a tax exempt charitable organization, corporation, limited liability corporation, or partnership with assets in excess of \$5 million
6. a director, executive officer, or general partner of the company selling the securities, or any director, executive officer, or general partner of a general partner of that company
7. an enterprise in which all the equity owners are accredited investors
8. an individual with a net worth or joint net worth with a spouse or spousal equivalent of at least \$1 million, not including the value of his or her primary residence
9. an individual with income exceeding \$200,000 in each of the two most recent calendar years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year or
10. a trust with assets exceeding \$5 million, not formed only to acquire the securities offered, and whose purchases are directed by a person who meets the legal standard of having sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment
11. an entity of a type not otherwise qualifying as accredited that own investments in excess of \$5 million
12. an individual holding in good standing any of the general securities representative license (Series 7), the investment adviser representative license (Series 65), or the private securities offerings representative license (Series 82)
13. a knowledgeable employee, as defined in rule 3c-5(a)(4) under the Investment Company Act, of the issuer of securities where that issuer is a 3(c)(1) or 3(c)(7) private fund or
14. a family office and its family clients if the family office has assets under management in excess of \$5 million and whose prospective investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment

Source (and for more information please visit): <http://www.sec.gov/answers/accred.htm> and <https://www.sec.gov/news/press-release/2020-191>