



ACCOUNT NUMBER: ICG-\_\_\_\_\_

## MEMORANDUM OF INDEBTEDNESS

This Memorandum of Indebtedness (“Agreement”) is made and entered into on this \_\_\_\_\_ (the “Date”) by and between Issachar Capital Group, LLC, a Georgia Limited Liability Company, with a mailing address of 6340 Sugarloaf Pkwy, Suite 200 Duluth 30097, (the “Borrower”), and \_\_\_\_\_, bearing the account number: ICG-\_\_\_\_\_, (the “Lender,” or together, the “Parties”).

### RECITALS.

Lender has offered to provide funds, as described below, to Borrower as described in this Agreement. Borrower is willing to accept such funds upon and subject to the provisions, terms and conditions hereinafter set forth herein.

Subject to and upon the terms and conditions of this Agreement, Lender has agreed to provide Borrower the funds herein described for the purposes set forth below.

### TERMS OF THE AGREEMENT.

1. Indebtedness. Lender hereby agrees to provide the sum of \$ \_\_\_\_\_ to Borrower in accordance with this Agreement (“Indebtedness”).
2. Existence. Borrower is a Georgia Limited Liability Company, duly organized, validly existing, and in good standing under the laws of Georgia, and is duly qualified to transact business as a foreign corporation in each jurisdiction where the nature and extent of its business and property requires the same.
3. Authorization. Borrower possesses all requisite authority and power, to conduct its business and to execute, deliver, and comply with the terms of this Agreement. The execution and delivery of this Agreement, the consummation of the transactions herein contemplated, compliance with the terms and provisions hereof, and the execution, issuance, and delivery of the Agreement have been duly authorized and approved by Borrower.
4. Enforceability of Agreement. This Agreement, when duly executed and delivered by Borrower, will constitute a legal, valid, and binding obligation of Borrower and wholly enforceable in accordance with its terms.

ACCOUNT NUMBER: ICG-

5. Litigation. Borrower may be involved in litigation arising from its efforts to collect debts and accounts related to the pledged real estate assets (as described below) or related to other corporate matters. Borrower will not report such litigation to Lender unless it is likely to have a material adverse effect on Borrower.
6. Definition of Date.
  - a. Effective Date. Effective date is on the next business day following the receipt of cleared funds.
7. Maturity Date. The Indebtedness shall mature at the end of the ( ) month from the Effective Date (the "Maturity Date"). In the event of a termination of this Indebtedness by Borrower, the Lender agrees to provide a grace period of thirty (30) days from the Maturity Date, during which Borrower shall have the opportunity to make any outstanding payments due to the Lender. If Borrower fails to make such payments within the grace period, the distribution of any outstanding amounts owed to Lender upon the maturity of this Indebtedness shall be controlled by Sections 9 and 11, below.
8. Covered Activities. This Indebtedness is designed to enable Borrower to expand its current business activities ("**Covered Activities**") for a certain period beginning on the Effective Date and ending on the Maturity Date (the "**Activity Period**"). The Covered Activities shall be limited to lending money for the purpose of property development in the Southeastern United States. The Borrower's primary objective is to extend financial support for the development activities undertaken by other parties. Covered activities shall consist of the down payment equity financing on real estate acquisitions with intent to develop and resell.
9. Payments. Borrower's interest payment to Lender on the Maturity Date shall be at a fixed teen ( ) percent simple interest rate, deferred and payable months from the Effective Date. In the event of any delay or failure by Borrower to make the interest payment within the specified timeframe, a grace period of thirty (30) days shall be granted to Borrower, commencing from the original payment due date. If Borrower fails to make the interest payments within the grace period, Borrower shall be deemed in default, and Lender may exercise its rights and remedies as outlined in this Agreement.
10. Business Updates. Borrower shall provide Lender with periodic updates on the status of the business which may include information on specific real estate assets. The frequency of the updates is at Borrower's sole discretion.
11. Grace Period. If Lender elects to terminate this Indebtedness on the Maturity Date pursuant to this Agreement, upon maturity of the Indebtedness, the principal amount will be paid to Lender within thirty (30) days from Maturity (the "**Grace Period**"). Borrower may elect to extend the

ACCOUNT NUMBER: ICG-

Grace Period by an additional thirty (30) days, in which case additional interest calculated at one and a half ( ) percent per month from maturity shall be due and payable with the principal amount.

12. Prepayment. There is no prepayment penalty.
13. Lender's Acknowledgments. Lender hereby specifically acknowledges and agrees to the following:
  - a. The proceeds of this Indebtedness may be aggregated with other funds of Borrower and other Lenders for the Covered Activities of Borrower and any collateral (as set forth in Section 15) associated with this Indebtedness shall be a proportional aggregate of collateral pledged by Borrower therefrom and/or unspent proceeds of the Indebtedness, as the case may be.
  - b. Lender has no right to accelerate this Indebtedness. Lender may not transfer, encumber, assign, hypothecate, or otherwise transfer this Indebtedness to any other party, individual, or entity without prior written approval of Borrower except in the case of default.
  - c. Lender's decision to execute this Agreement is and was based upon Lender's own independent evaluation of information deemed relevant to Lender, including, but not limited to, the suitability of the terms of the Agreement for Lender, the information made available by Borrower to Lender, and Lender's independent evaluation of all such information. Lender acknowledges that Borrower and its independent, third-party agents have responded satisfactorily to all of Lender's requests for information.
  - d. Lender has sufficient net worth and/or income to assume the risks associated with this Agreement and the Covered Activities of the Borrower. Lender understands and acknowledges that Borrower has not made any representations regarding any potential total return from this Agreement or any specific tax treatment to be applied to Lender with respect to such Agreement and Indebtedness. Lender acknowledges that the interest rate of ( ) percent reflects the agreed-upon return on the loan and that no additional guarantee or representation has been made by Borrower regarding the return on investment.
  - e. Lender understands that Lender is making a loan to Borrower involving a number of risks associated with investing in real estate, including but not limited to, real estate market downturns or force majeure event that may or may not result in the inability to adequately cover debt service in the event of a downturn.
  - f. Lender has relied solely on its own investigation and due diligence and has not solely



ACCOUNT NUMBER: ICG-

- relied upon any oral or written information provided by Borrower, Borrower's personnel or agents, and acknowledges that no employee or representative of Borrower has been authorized to make any written statements other than those specifically contained or incorporated in this Agreement, and that Lender has not relied upon any such statements.
- g. Lender has had the opportunity to do any and all due diligence and has had sufficient access to information to make its own credit decision, and it has performed such due diligence to its satisfaction. Lender has had the opportunity to seek advice from its own independent professionals. Lender understands that Borrower has made no representations as to the applicability of any federal or state statutes or laws.
- h. Lender acknowledges that Borrower, in utilizing the Indebtedness provided under this Agreement, and in the ordinary course of its business, may maintain multiple accounts simultaneously and, as such, waives any right to bring any claim or complaint regarding Borrower's prioritization of one account or business function as to the utilization of the proceeds of this Indebtedness. All such decisions shall be made by Borrower based on its experience and in its sole discretion.
14. Redemption of Indebtedness. Lender shall have no ability to Redeem Prior to the Maturity Date.
15. Governing Law, Jurisdiction and Venue. This Indebtedness shall be governed by and construed in accordance with the laws of the State of Georgia, without regard to any applicable principles of conflicts of law. Any action or proceeding arising hereunder, or involving the interpretation, performance or breach hereof, shall be instituted in the State of Georgia.
16. First Lien Position. A Joint Venture Agreement (JVA) was signed between Issachar Capital Group, LLC and Embry Development group on May 24, 2023. Within thirty (30) days of the closing of the Project the Deed To Secure Debt will be filed by the closing attorney, the Borrower shall obtain a first priority security interest and lien on all real property acquired or to be developed, including any property acquired with funds advanced by the Lender, to secure payment of any and all obligations and liabilities under this Agreement. This first priority security interest and lien shall be recognized and respected by all parties to the JVA. This first lien position provision shall remain in effect until all obligations and liabilities of the joint venture to the Borrower have been paid in full. In the event of any default or disposition of any property of the joint venture, the Borrower shall have the right to perfect its lien on such property and to file any necessary financing statements or other documents to protect and maintain its first lien position. This first lien position provision is intended to create a valid and enforceable security interest in favor of the Borrower, for the benefit of the Lender. The Lender



ACCOUNT NUMBER: ICG-

acknowledges and agrees that the Borrower's first lien position is intended to protect the Lender's interest in this Agreement, and that the Borrower shall have the right to take any and all actions necessary to protect and maintain its first lien position, including but not limited to exercising its rights and remedies in the event of a default by Embry Development Company.

17. **Default.** The Borrower represents that Embry Development Company shall be deemed to be in default under the JVA in the event of (a) failure to make payments when due, (b) breach of any covenant, agreement, or representation contained in the JVA, (c) material violation of any applicable laws or regulations, or (d) any other material default under any other agreement to which Embry Development Company is a party that would have a material adverse effect on the joint venture.
18. **Remedies.** In the event of any default by Embry Development Company, the Borrower shall have the right to exercise any and all remedies available to it under applicable law or equity, including but not limited to foreclosure on its security interest, taking possession of the property without the need for court intervention, or pursuing legal action to recover any damages on behalf of the Lender. The rights and remedies of the Borrower under this provision are cumulative and may be exercised in any order or combination, and no waiver of any right or remedy shall be deemed a waiver of any other right or remedy.
19. **Dispute Resolution.** Parties agree that any controversy, claim or dispute between the Parties arising out of, or relating to this Agreement, or breach thereof, will be settled in confidential arbitration with exclusive venue in Atlanta, Georgia, in accordance with the Commercial Arbitration Rules of the American Arbitration Association. It is the intention of the Parties that the arbitration panel acting hereunder will work towards issuing its decision in writing and findings in fact within 120 days after the final hearing date. The costs of the arbitration may be assessed against any or all of the parties as part of the award, as the arbitrator(s) deem just and reasonable.
20. **Litigation and Attorneys' Fees.** In the event that either party finds it necessary to retain counsel in connection with the interpretation, defense, or enforcement of this Agreement, the prevailing party shall recover its reasonable attorneys' fees and expenses from the unsuccessful party.
21. **Severability.** Any provision of this Agreement that is not enforceable in any jurisdiction shall, as to that particular jurisdiction only, not be effective but only to the extent it is not unenforceable, without making the remaining provisions of this Agreement invalid. It will not affect the validity or enforceability of that provision in any other jurisdiction.
22. **Articles, Sections, and Exhibits.** All references to "Article", "Articles", "Section", "Sections" "Subsection", or "Subsections" contained herein are, unless specifically indicated otherwise,

ACCOUNT NUMBER: ICG-

references to articles, sections, and subsections of this Agreement. The words "herein", "hereof", "hereunder" and other similar compounds of the word "here" when used in this Agreement shall refer to the entire Agreement and not to any particular provision or section. All references to "Exhibits" contained herein are references to exhibits attached hereto, all of which are made a part hereof for all purposes, the same as if set forth herein verbatim, it being understood that if any exhibit attached hereto, which is to be executed and delivered, contains blanks, the same shall be completed correctly and in accordance with the terms and provisions contained and as contemplated herein prior to or at the time of the execution and delivery thereof.

23. Number and Gender of Words. Whenever herein the singular number is used, the same shall include the plural where appropriate, and vice versa; and words of any gender shall include each other gender where appropriate.
24. Notices. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing and may be mailed, delivered, sent via certified mail, or transmitted electronically, to the address specified for notices on the signature page below or to such other address or email as shall be designated by such party in a notice to the other parties. All such notices and other communications shall be deemed to have been given or made upon the earliest to occur of (a) actual receipt by the intended recipient or (b) if delivered by certified mail, return receipt requested with signature of the intended recipient, postage prepaid; or (c) if delivered by a nationally known overnight delivery service, upon receipt and signature of the recipient. Additionally, routine communications, financial reports, and other information, as well as the distribution of loan documents for execution by the Parties thereto, may be transmitted via electronic mail or shared through secure internet websites.
25. Entirety and Amendments. This Agreement embodies the entire understanding between the parties relating to the subject matter hereof (except documents, agreements and instruments delivered or to be delivered in accordance with the express terms hereof), supersedes all prior agreements and understandings, if any, relating to the subject matter hereof, and may be amended only by an instrument in writing executed jointly by Borrower and Lender and supplemented only by documents delivered or to be delivered in accordance with the express terms hereof. This Agreement may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.
26. Parties Bound. This Agreement shall be binding upon and inure to the benefit of Borrower, Lender, and their respective successors and assigns. No term or provision of this Agreement shall inure to the benefit of any Person other than Borrower and Lender and their respective

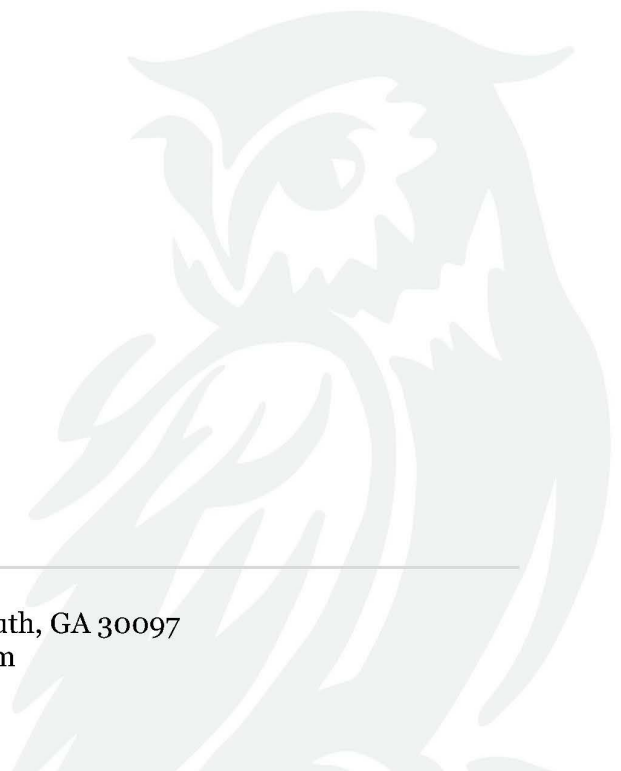
ACCOUNT NUMBER: ICG-

successors and assigns; consequently, no Person other than Borrower and Lender and their respective successors and assigns, shall be entitled to rely upon, or to raise as a defense, in any manner whatsoever, the failure of Borrower and Lender to perform, observe, or comply with any such term or provision.

27. Waiver of Trial by Jury. Lender and Borrower knowingly, voluntarily and intentionally waive the right each may have to trial by jury with respect to any litigation that arises out of or under this Agreement and agree to confidential arbitration pursuant to Section 16 above.

*Remainder of the Page Intentionally Left Blank*

SAMPLE





ACCOUNT NUMBER: ICG-

THE PARTIES INDICATE THAT THEY HAVE READ THIS MEMORANDUM OF INDEBTEDNESS IN ITS ENTIRETY, UNDERSTAND ITS TERMS, AND AGREE TO BE BOUND BY THEM. THE UNDERSIGNED FURTHER WARRANT THAT THEY ARE AUTHORIZED TO EXECUTE THIS MEMORANDUM OF INDEBTEDNESS.

**Borrower: Issachar Capital Group, LLC**

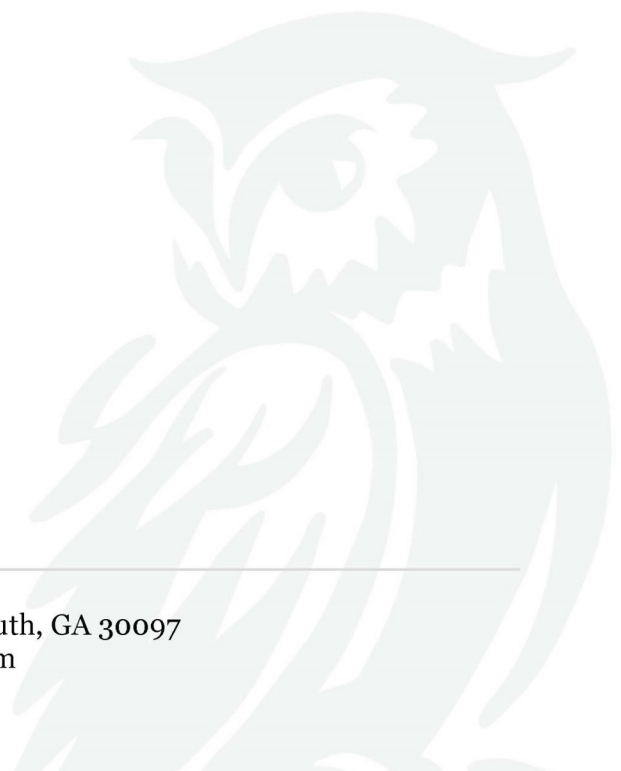
**Name: Terry Holman, CEO**

**Signature:** *Terry Holman*

**Lender Name:** \_\_\_\_\_

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

SAMPLE



ACCOUNT NUMBER: ICG-

### Steps in Closing Process

If funding through wire transfer, please wire payment

1. BANK INFORMATION

- a. **Bank Routing Number** for **Wire Transfers**: 031000053
- b. Bank Name: PNC Bank
- c. Address: 249 Fifth Avenue, Pittsburgh, PA 15222
- d. Phone: 1 (888) 762-2265

2. BENEFICIARY/RECIPIENT OF THE WIRE

- a. **Bank Account Number**: 5368604606
- b. Name: Issachar Capital Group, LLC
- c. Address: 6340 Sugarloaf Parkway Suite 200, Duluth, Ga. 30097

\* **If sending ACH/Direct Deposits use this Routing Number**: 054000030

\* **For International Funding:**

- a. SWIFT: PNCCUS33

SAMPLE



ACCOUNT NUMBER: ICG-

### Funding Information

If funding through check:

- d. Please fill out your check and make payable to Issachar Capital Group, LLC
- e. Please send via overnight delivery the following:
  - I. The signed original of this Memorandum of Indebtedness
  - II. The signed check with corresponding loan amount
  - III. The page below with your banking information which will be used for your maturity payment
  - IV. The page below with your email which will be used for communicating business updates for Issachar Capital Group, LLC regarding your loan.
  - V. Address for overnight delivery: 6340 Sugarloaf Pkwy, Suite 200 Duluth 30097
  - VI. Upon receipt of this package, you will receive a welcome email from us
  - VII. Any questions or concerns should be addressed to your agent

### General Information

f. Beneficiary Information:

1. Name:
2. Relationship to Lender:
3. Date of Birth:
4. SSN:
5. Phone:
6. Address:

