

Steel Returns Oregon LP
Offering Circular
2024-2025

OFFERING CIRCULAR
OREGON RESIDENTS ONLY

OFFERING CIRCULAR

Steel Returns Oregon LP

\$100,000,000

Units of limited partnership interest at \$1.00 per Unit¹

Minimum Investment: \$25,000

Steel Returns Oregon LP, a Delaware limited partnership (the "***Fund***"), the general partner of which is Steel Lending Group LLC, an Oregon limited liability company (the "***General Partner***"), has been organized to acquire economic interests in certain retail installment contracts (motor vehicle chattel paper) from automobile dealers ("***Auto Loans***"). The General Partner is also the general partner of Steel Returns LP, a Delaware limited partnership ("***Steel Returns***") which is engaged in the same business as the Fund and has been operating since May 5, 2022. Offering materials for the offering of limited partnership interest in Steel Returns are available from the General Partner upon request. The General Partner is offering units of limited partnership interest in the Fund at \$1.00 per unit (the "***Units***" of the "***Securities***"). Minimum purchase is 25,000 units or \$25,000. The General Partner believes that the Auto Loans it selects will generate sufficient income to permit the Fund to pay an annual return equal to 10.125% of a Limited Partner's Capital Contribution (the "***Preferred Return***"). The Fund is newly organized. Steel Returns has sold 22,441,603 Units (priced at \$1.00 per unit) in a private placement of its securities since it was organized.

The Fund is offering (by means of this Circular) 100,000,000 units of limited partnership interest ("***Units***" or the "***Securities***") at \$1.00 per Unit on a "best efforts" and ongoing basis to investors who meet the Investor Suitability standards as set forth herein (the "***Offering***"). (See "***Investor Suitability***".) The Fund will offer the Units without any brokers or selling commissions. (See "***Terms of the Offering***"). There is no minimum amount of Units, other than the Minimum Investment Amount of \$25,000, that is required to be sold before the proceeds from subscriptions will be available for use by the Fund.

Although the Fund and the General Partner were recently organized, a principal of the General Partner has been in the private money lending industry for more than a decade and has applied a private lending fund model he has developed in the automobile and real estate industries. The General Partner has been purchasing Auto Loans on its own account since January 6, 2022 and is general partner of a limited partnership offered only to accredited investors, as that term is defined in SEC Rule 501 (a) .

Investors purchasing Units will become limited partners in the Fund ("***Limited Partners***") governed by the terms and conditions of the Limited Partnership Agreement dated May 28, 2024, a copy of which is attached to this Circular as **Exhibit A** (the "***Limited Partnership Agreement***"). Terms not otherwise defined in this Circular shall have the meanings ascribed to them in the Limited Partnership Agreement.

An investment in the Fund is not liquid and is subject to substantial restrictions on transfer and withdrawal. (See "Terms of the Offering - Restrictions on Transfer" and "Summary of the Limited Partnership Agreement - Withdrawal Limitations.") Investors should not purchase Units unless they are able to hold the Units for an indefinite amount of time.

Investors have the option to receive monthly distributions of their share of income from Fund operations ("***Income Option***"), or to allow their proportionate share of Fund income to compound and be reinvested by the Fund for their accounts ("***Growth Option***") by participating in the Fund's Distribution Reinvestment Plan, which is attached to this Circular as **Exhibit C**. (See "Terms of the Offering - Election to Receive Monthly Cash Distributions"). The Preferred Return will, in most circumstances, be taxed to the Limited Partners (other than tax-exempt entities) as

ordinary income, regardless of whether it is distributed in cash or reinvested. (See "Federal Income Tax Considerations").

There is no public market for the Units, and none is expected to develop. The Offering price is arbitrary and does not bear any relationship to the value of the assets of the Fund. The Fund does not currently have plans to list any Units on any securities market. Investing in the Units involves risk, some of which are set forth below. See the section titled "Risk Factors" to read about the factors an investor should consider prior to purchasing any Units.

Prospective investors ("Investors") who execute a subscription agreement ("Subscription Agreement"), which is attached to this Circular as **Exhibit B**, to invest in the Fund will become a limited partner of the Fund ("Limited Partner") once the General Partner accepts the Subscription Agreement, subject to terms and conditions in the Circular and Subscription Agreement.

These securities are offered to bona fide residents of the state of Oregon who purchase solely for their own account for purposes of investment and not with a view toward resale or distribution.

This Offering has been registered with the Director of the Department of Consumer and Business Services of the State of Oregon pursuant to ORS 59.065 under the provision of OAR (Oregon Administrative Rules) 441-65-0020. Registration does not constitute an endorsement or recommendation by the Director. It is not a representation that the Director has passed upon or reviewed the accuracy or values claimed. Any representation to the contrary is a criminal offense.

The Units have not been registered under the federal Securities Act of 1933, as amended, in reliance upon the intrastate offering exemption provided by Section 28 of the Securities Act of 1933, as amended, and SEC Rule 147A. Nothing contained herein shall constitute a waiver of the Fund's right to claim any other available exemption under federal law.

THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") DOES NOT PASS UPON THE MERITS OR GIVE ITS APPROVAL OF ANY SECURITIES OFFERED OR THE TERMS OF THIS OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY CIRCULAR OR OTHER SOLICITATION MATERIALS. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES OFFERED ARE EXEMPT FROM REGISTRATION.

THE USE OF FORECASTS IN THIS OFFERING IS PROHIBITED. ANY REPRESENTATIONS TO THE CONTRARY AND ANY PREDICTIONS, WRITTEN OR ORAL, AS TO THE AMOUNT OR CERTAINTY OF ANY PRESENT OR FUTURE CASH BENEFIT OR TAX CONSEQUENCE WHICH MAY FLOW FROM AN INVESTMENT IN THIS PROGRAM IS NOT PERMITTED.

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

PROSPECTIVE PURCHASERS SHOULD NOT REGARD THE CONTENTS OF THIS CIRCULAR OR ANY OTHER COMMUNICATION FROM THE FUND AS A SUBSTITUTE FOR CAREFUL AND INDEPENDENT

TAX AND FINANCIAL PLANNING. EACH POTENTIAL INVESTOR IS ENCOURAGED TO CONSULT WITH HIS, HER OR ITS OWN INDEPENDENT LEGAL COUNSEL, ACCOUNTANT AND OTHER PROFESSIONALS WITH RESPECT TO THE LEGAL AND TAX ASPECTS OF THIS INVESTMENT AND WITH SPECIFIC REFERENCE TO HIS, HER OR ITS OWN TAX SITUATION, PRIOR TO SUBSCRIBING FOR THE UNITS. THE PURCHASE OF UNITS BY AN INDIVIDUAL RETIREMENT ACCOUNT, KEOGH PLAN OR OTHER QUALIFIED RETIREMENT PLAN INVOLVES SPECIAL TAX RISKS AND OTHER CONSIDERATIONS THAT SHOULD BE CAREFULLY CONSIDERED. INCOME EARNED BY QUALIFIED PLANS AS A RESULT OF AN INVESTMENT IN THE FUND MAY BE SUBJECT TO FEDERAL INCOME TAXES, EVEN THOUGH SUCH PLANS ARE OTHERWISE TAX EXEMPT. (SEE "INCOME TAX CONSIDERATIONS" AND "ERISA CONSIDERATIONS.")

THE INFORMATION CONTAINED IN THIS CIRCULAR HAS BEEN SUPPLIED BY THE FUND. THIS CIRCULAR CONTAINS SUMMARIES OF DOCUMENTS NOT CONTAINED IN THIS CIRCULAR, BUT ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCES TO THE ACTUAL DOCUMENTS. COPIES OF DOCUMENTS REFERRED TO IN THIS CIRCULAR, BUT NOT INCLUDED AS AN EXHIBIT, WILL BE MADE AVAILABLE TO QUALIFIED PROSPECTIVE INVESTORS UPON REQUEST.

THE FUND INVOLVES SIGNIFICANT RISKS, DESCRIBED IN DETAIL IN THIS CIRCULAR. See "Risk Factors" for certain factors investors should consider before investing. Significant risks include the following: (i) the Fund is a "blind pool" because the General Partner has not yet identified all specific assets to be acquired by the Fund with the proceeds from the sale of new Units or with principal repayments received by the Fund and reinvested in assets selected by the General Partner; (ii) loans for which the Fund holds an economic interest, or any other asset acquired by the Fund, will not be insured by any government agency, instrumentality or entity; (iii) investment in Units is subject to substantial withdrawal restriction, and investors will have a limited ability to liquidate their investment in the Fund; (iv) the transfer of Units is restricted and no public market for Units exists or is likely to develop; (v) the General Partner is entitled to various forms of compensation and is subject to certain conflicts of interest; and (vi) Limited Partners will have no right to participate in the management of the Fund and will have only limited voting rights. Terms not otherwise defined herein shall have the meanings ascribed in the Limited Partnership Agreement.

	Price to Public¹	Underwriting Discounts and Commissions	Proceeds to the Fund⁴	Proceeds to other Persons³
Amount to be raised per Unit	\$1.00	\$0	\$1.00	\$0
Minimum Investment Amount ²	\$25,000	\$0	\$25,000	\$0
Maximum Offering Amount	\$100,000,000	\$0	\$100,000,000	\$0

(Footnotes on following page)

General Partner:
Steel Lending Group LLC
Attn: Kevin Simrin, Member
4710 Village Plaza Loop, Suite 150
Eugene, Oregon 97401
(541) 302-4800

The date of this Circular is May 28, 2024

¹ The maximum amount of the Offering may be increased by the General Partner at any time by amendment to this Circular.

² The minimum purchase is \$25,000 (25,000 Units).

³ Units will be offered and sold by the General Partner or by its duly authorized agents and employees who will not receive compensation in connection with the sale of the Units. (See "*Plan of Distribution*").

⁴ "Net Proceeds to the Fund" are calculated before deducting ongoing offering expenses, including without limitation legal and accounting expenses, reproduction costs, selling expenses and filing fees.

THE UNITS ARE BEING OFFERED SOLELY TO PERSONS WHO ARE QUALIFIED TO PURCHASER IN AN OFFERING EXEMPT UNDER SEC RULE 147A TO WHOM A COPY OF THIS CIRCULAR HAS BEEN DELIVERED BY THE GENERAL PARTNER. THIS CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY WITH RESPECT TO ANY OTHER PERSON.

THE UNITS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS OTHER THAN THE STATE OF OREGON. THE UNITS WILL BE OFFERED AND SOLD UNDER THE EXEMPTION PROVIDED BY SECTION 28 OF THE SECURITIES ACT AND SEC RULE 147A PROMULGATED THEREUNDER AND OTHER EXEMPTIONS OF SIMILAR IMPORT UNDER THE LAWS OF THE UNITED STATES AND OTHER JURISDICTIONS WHERE THE OFFERING WILL BE MADE. CONSEQUENTLY: (I) THE FUND IS NOT REQUIRED TO COMPLY WITH SPECIFIC DISCLOSURE REQUIREMENTS THAT APPLY TO OFFERINGS REGISTERED UNDER THE SECURITIES ACT; (II) THE COMMISSION HAS NOT PASSED UPON THE MERITS OF OR GIVEN ITS APPROVAL TO THE UNITS THE TERMS OF THE OFFERING, OR THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM OR ANY OTHER OFFERING MATERIALS; (III) UNITS ARE SUBJECT TO SUBSTANTIAL LEGAL RESTRICTIONS ON TRANSFER AND RESALE AND INVESTORS SHOULD NOT ASSUME THEY WILL BE ABLE TO RESELL THEIR SECURITIES. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD.

ANY PERFORMANCE DATA UTILIZED REGARDING THE OFFERING OF UNITS REPRESENTS PAST PERFORMANCE FOR THE STATED PERIOD, ONLY, AND DOES NOT GUARANTY FUTURE RESULTS. THE FUND IS NOT REQUIRED BY LAW TO FOLLOW ANY STANDARD METHODOLOGY WHEN CALCULATING AND REPRESENTING PERFORMANCE DATA AND THE PERFORMANCE OF THE FUND MAY NOT BE DIRECTLY COMPARABLE TO THE PERFORMANCE OF OTHER PRIVATE OR REGISTERED FUNDS. CURRENT PERFORMANCE MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA PRESENTED FOR EARLIER PERIODS. INVESTORS MAY OBTAIN CURRENT PERFORMANCE DATA BY CONTACTING THE GENERAL PARTNER AT THE CONTACT INFORMATION PROVIDED HEREIN.

THE UNITS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, ANY APPLICABLE STATE SECURITIES LAWS AND THE LAWS OF ANY OTHER RELEVANT JURISDICTION. IN ADDITION, SUCH INTERESTS MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED, IN WHOLE OR IN PART, EXCEPT AS PROVIDED IN THE LIMITED PARTNERSHIP AGREEMENT REFERRED TO HEREIN. ACCORDINGLY, INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE UNITS FOR AN INDEFINITE PERIOD. THERE WILL BE NO PUBLIC MARKET FOR THE UNITS, AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT, ANY STATE SECURITIES LAWS OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. INVESTMENT IN UNITS INVOLVES CERTAIN SIGNIFICANT INVESTMENT RISKS, INCLUDING RISKS OF LOSS OF CAPITAL OR AN INVESTOR'S ENTIRE INVESTMENT IN UNITS.

THE FUND WILL NOT BE REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940 (THE "**INVESTMENT COMPANY ACT**"). CONSEQUENTLY, INVESTORS WILL NOT BE AFFORDED THE PROTECTIONS OF THE INVESTMENT COMPANY ACT. THE GENERAL PARTNER OF THE FUND IS NOT REGISTERED AS AN INVESTMENT ADVISOR WITH THE SEC OR REGISTERED OR CERTIFIED AS AN INVESTMENT ADVISOR UNDER THE LAWS OF ANY STATE OR OTHER JURISDICTION AND POTENTIAL INVESTORS SHOULD CONSULT WITH THEIR OWN INDEPENDENT SECURITIES PROFESSIONALS TO DETERMINE THE SUITABILITY OF UNITS AND

THE LOAN INVESTMENTS MADE BY THE FUND FOR THEIR OWN PERSONAL FINANCIAL SITUATION AND INVESTMENT OBJECTIVES.

THE INFORMATION CONTAINED IN THIS CIRCULAR SUPERSEDES ANY ADVERTISEMENTS OR SOLICITATION MATERIALS REGARDING THE FUND OR THIS OFFERING. THIS CIRCULAR IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE LIMITED PARTNERSHIP AGREEMENT OF THE FUND AND THE SUBSCRIPTION AGREEMENT RELATED THERETO. NO PERSON HAS BEEN AUTHORIZED REGARDING THIS OFFERING TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN AS CONTAINED IN THIS CIRCULAR AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE FUND OR THE GENERAL PARTNER. STATEMENTS IN THIS CIRCULAR ARE MADE AS OF THE DATE HEREOF UNLESS STATED OTHERWISE HEREIN, AND NEITHER THE DELIVERY OF THIS CIRCULAR AT ANY TIME, NOR ANY SALE HEREUNDER, SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME AFTER SUCH DATE.

COMPENSATION PAID TO THE GENERAL PARTNER HAS NOT BEEN DETERMINED BY ARM'S-LENGTH NEGOTIATION. THE GENERAL PARTNER IS ALSO SUBJECT TO CERTAIN CONFLICTS OF INTEREST. (SEE "**RISK FACTORS**," "**COMPENSATION TO THE GENERAL PARTNER**" AND "**CONFLICTS OF INTEREST**.")

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

NASAA UNIFORM LEGEND:

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 THE 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 WILL BE REQUIRED TO BEAR THE FINANCAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

RISK DISCLOSURE STATEMENT

The attorneys that prepared this Offering Circular ("**Attorneys**") hereby disclaim any opinion or assurance of any nature whatsoever regarding the accuracy, completeness, reasonableness, timeliness or veracity of any of the assertions, representations or other information contained herein, whether qualitative or quantitative, or regarding the investment-worthiness of the Units. Any assertion or representation made herein, and all other information disclosed herein, whether qualitative or quantitative, was made or provided by the promoter. In connection with the preparation of these confidential offering documents, the attorneys have not been engaged to attest hereto, or to opine in respect hereof. Accordingly, the attorneys have not performed any analytical, confirmation, validation,

verification or other procedures in respect of the assertions and representations contained herein, nor in respect of any of the other information disclosed herein, including any similar to those procedures undertaken by an independent certified public accountant in connection with an audit of the financial statements of an issuer of securities for purposes of rendering an opinion thereon. Consequently, potential investors, in deciding whether or not to invest in the Securities, are cautioned not to ascribe any special significance whatsoever to this Circular by reason that attorneys have prepared this Circular.

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EXHIBITS:

Exhibit A—Limited Partnership Agreement of Steel Returns Oregon LP

Exhibit B—Subscription Agreement

Exhibit C—Distribution Reinvestment Plan

Exhibit D—Financial Statement of Steel Returns Oregon LP as of April 17, 2024_

SUMMARY OF THE OFFERING

The following information is only a brief summary of the Offering and is qualified in its entirety by the detailed information appearing elsewhere in this Circular. Potential investors should review this entire Circular before deciding to invest in the Units.

Fund Objectives: Steel Returns Oregon LP is a Delaware limited partnership formed to acquire the economic rights of certain interest generating assets or other assets for which appreciation is anticipated, which will be selected by the General Partner. The Units offered hereby represent limited partnership interests in the Fund.

The Fund's objectives are to (1) provide the opportunity for the Limited Partners to earn income from various assets acquired by the Fund; (2) protect and preserve Fund capital; and (3) provide cash distributions to electing Limited Partners. There is no guaranty that each of these objectives will be met. (See "Risk Factors.")

The General Partner: Steel Lending Group LLC is an Oregon limited liability company formed on September 13, 2021. Its offices are located at 4710 Village Plaza Loop, Suite 210, Eugene, Oregon 97401. The General Partner is owned by Kevin Simrin and his brother, Kirk Simrin.

THE OFFERING	<p>The Fund is hereby offering Units in the maximum aggregate amount of One Hundred Million Dollars (\$100,000,000) (the "<u>Maximum Offering Amount</u>").</p> <p>The Minimum Investment Amount per Investor is Twenty Five Thousand Dollars (\$25,000); provided, however, that the General Partner reserves the right to accept subscriptions in a lesser amount or require a higher amount.</p> <p>The Limited Partnership Agreement allows the Fund issue Units on an ongoing basis.</p>
PLAN OF DISTRIBUTION	<p>Units will be offered and sold directly by the Fund, the General Partner and the General Partner's officers and employees. No commissions for selling Units will be paid by the Fund, the General Partner or the General Partner's respective officers or employees. While most Units are expected to be offered and sold directly by the General Partner and their respective officers and employees, the General Partner may also, in limited instances, offer and sell Units through the services of independent broker/dealers who are member firms of the Financial Industry Regulatory Authority ("<u>FINRA</u>"). As of the date of this Circular, the Fund has not engaged any broker-dealer and has no agreement for paying a broker-dealer commissions or fees.</p> <p>There is no minimum number of Units that must be sold before proceeds will be available to the Fund.</p>
PRIOR EXPERIENCE	<p>Kevin Simrin, a principal of the General Partner has more than a decade of experience in the private money lending industry, including the management of several other unregistered securities offerings which specialize in providing funds for mortgage loans secured by real property. The General Partner is also general partner of Steel Returns. (See "<u>The General Partner's Experience</u>" below.)</p>
INVESTOR SUITABILITY STANDARDS	<p>Interests will be sold exclusively to persons who are residents of the state of Oregon, with an initial minimum investment of \$25,000 or 25,000 Units. Qualified investors admitted to the Fund will become Limited Partners. (See "<u>Investor Suitability Standards</u>")</p>

<p>NO LIQUIDITY</p>	<p>There is no public market for the Units, and none is expected to develop. Additionally, the Units will be non-transferable, except as may be required by law, and will not be listed for trading on any exchange or automated quotation system. (See “<i>Risk Factors</i>” below.) The Fund will not facilitate or otherwise participate in the secondary transfer of any Units. However, Limited Partners will be allowed to withdraw their investments in accordance with the terms and conditions of the Limited Partnership Agreement. Prospective investors are urged to consult their own legal advisors with respect to secondary trading of the Units. (See “<i>Risk Factors</i>” below.)</p> <p>The purchase of Units is an illiquid investment. There is no public market for Units, and none is expected to develop, and an investor's withdrawal of invested capital is limited by Fund cash flow and other restrictions. (See "<u>Risk Factors - Risks Related to Ownership of the Units</u>" and "<u>Summary of the Limited Partnership Agreement - Withdrawal Limitations.</u>")</p>
<p>RESTRICTIONS ON TRANSFERS</p>	<p>There are substantial restrictions on transferability of Units under federal and state securities laws and under the Limited Partnership Agreement. (See "<u>Terms of Offering - Restrictions on Transfer</u>" and "<u>Risk Factors - Risks Related to Ownership of the Units.</u>")</p>
<p>LEVERAGING THE PORTFOLIO</p>	<p>The Fund may borrow funds from financiers, other lenders, or banks for the purpose of acquiring assets for the benefit of the Fund. In order to obtain such additional capital, the Fund may assign part or its entire asset portfolio to the lender or investor. Such a transaction involves certain elements of risk and also entails possible adverse tax consequence as detailed later in this Circular. (See “<i>Risk Factors – Business Risks, Risks of leveraging the Fund’s asset portfolio include assigning a portion of or the entire Fund’s asset portfolio as security for obtaining additional capital.</i>”, “<i>Income Tax Considerations</i>”, and “<i>ERISA Considerations</i>” below.) The terms and conditions of any credit obtained by the Fund shall be negotiated by the General Partner in its sole and absolute discretion.</p>
<p>DISTRIBUTION OF PREFERRED RETURN TO LIMITED PARTNERS</p>	<p>Limited Partners will be eligible for monthly distributions of the Fund’s Net Profits (as defined below) to the extent of an annual, non-cumulative Preferred Return equal to 10.125% of such Limited Partner’s Capital Contribution. (See “Terms of the Offering – Preferred Return, Cash Distributions; Election to Reinvest” below.) Payment of the Preferred Return is dependent upon the Fund recognizing sufficient Net Income to permit such payments.</p> <p>Investors may choose either (1) monthly cash distributions of Fund income, or (2) income credited to capital accounts pursuant to the Fund’s Distribution Reinvestment Plan attached as attached as Exhibit C. This election, once made upon subscription for Units, may be revoked at any time. However, the General Partner, in his sole and absolute discretion, reserves the right to commence making cash distributions at any time to previously compounding ERISA investors for the Fund to remain exempt from the ERISA plan asset regulations. (See "<u>ERISA Considerations</u>" and "<u>Summary of Limited Partnership Agreement.</u>")</p>

<p>REINVESTMENT</p>	<p>Limited Partners will have the option of receiving their monthly income distributions or having their share of distributions credited to their capital accounts and reinvested in the Fund to purchase additional Units. (See “<i>Terms of the Offering – Preferred Return, Cash Distributions; Election to Reinvest</i>” below.)</p> <p>Notwithstanding the forgoing, the General Partner reserves the right to commence making cash distributions at any time to any Limited Partner(s) in order for the Fund to remain exempt from the ERISA plan asset regulations. (See “<i>ERISA Considerations</i>” and “<i>Summary of the Partnership Agreement</i>” below.)</p>
<p>WITHDRAWAL</p>	<p>Investors have no right to demand withdrawal of all or a portion of their investment for twelve (12) months following the date of the purchase of Units. Thereafter, withdrawals from the Fund will be subject to cash flow limitations and other withdrawal restrictions. The Fund may use money from new subscriptions to fund withdrawals. (See "<u>Summary of Limited Partnership Agreement - Withdrawal Limitations</u>" and "<u>Risk Factors - Risks Related to Ownership of the Units.</u>")</p>
<p>RISK FACTORS</p>	<p>There are several risks associated with the purchase of Units. The risk factors set forth in this Circular, including those in the “Risk Factors” section below, identify crucial factors that an Investor should consider before investing in the Fund. A summary of the some of the risk factors is included below:</p> <p>The Fund depends on the General Partner to select its investments and conduct its operations. The fees and expenses payable to the General Partner were not determined on an arm’s length basis, therefore, there is no benefit to investors of an arm’s length transactions typically conducted between unrelated parties.</p> <p>The Fund has no operating history. The prior performance for entities affiliated with the General Partner does not predict future results for the Fund. Therefore, no assurance can be given that the Fund will achieve its investment objectives;</p> <p>National, international and local economic and business conditions that could affect the Fund’s business;</p> <p>Industry developments could affect the Fund’s business, financial condition and results of operations; and</p> <p>Governmental approvals, actions and initiatives and changes in laws and regulations or the interpretation thereof, including without limitation tax laws, regulations and interpretations.</p> <p>In making an investment decision Investors must rely on their own examination of the Fund and the terms of the Offering, including the risks involved. The investment in Units involves a high degree of risk and Investors should purchase Units only if they can afford a complete loss of their investment. See the section “Risk Factors” below.</p>
<p>FUND EXPENSES</p>	<p>Except as otherwise provided herein, the Fund shall bear all costs and expenses associated with the operation of the Fund, including, but not limited to, the annual tax preparation of the Fund's tax returns, any state and federal income tax due, accounting fees, filing fees, independent audit reports, collateral repossession costs, costs associated with force placed insurance, costs and expenses associated with the acquisition, rehabilitation, holding and management of real estate and costs and expenses associated with the disposition of real estate.</p>

COMPENSATION TO THE GENERAL PARTNER	The General Partner will receive fees and other compensation. (See " <u>Compensation to the General Partner.</u> ")
CONFLICTS OF INTEREST	The Fund's business operations will be managed entirely by the General Partner, which is subject to certain conflicts of interest. (See " <u>Conflicts of Interest.</u> ")

FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements within the meaning of federal securities law. Words such as "may," "will," "expect," "anticipate," "believe," "estimate," "continue," "predict," or other similar words, identify forward-looking statements. Forward-looking statements include statements regarding the General Partner's intent, belief, or current expectation about, among other things, trends affecting the markets in which the Fund will operate, its business, financial condition, and strategies. Although the Fund believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions, forward looking statements are not guaranteeing of future performance and involve risks and uncertainties. Actual results may differ materially from those predicted in the forward-looking statements because of various factors, including those set forth in the "Risk Factors" section of this Circular. If any of the events described in "Risk Factors" occur, they could have an adverse effect on the Fund's business, financial condition, and results of operations. When considering forward looking statements, prospective investors should keep these Risk Factors in mind as well as the other cautionary statements in this Circular. Prospective investors should not place undue reliance on any forward-looking statement. The Fund is not obligated to update forward looking statements.

INVESTOR SUITABILITY REQUIREMENTS

Units are being offered and sold in reliance upon the exemption from federal registration provided for under section 28 of the Securities Act of 1933 (the "Act") and Rule 147A issued by the Securities and Exchange Commission, thereunder. As such, Units will be sold only to bona fide Oregon residents and may be transferred only to Oregon residents greater than six months after they are acquired. An investment in the Units is suitable only for people who are seeking income, not capital appreciation and do not require a liquid investment. Redemptions are restricted by time periods and amount, and a secondary market for the Units is unlikely to develop.

Investors will also be required to provide additional documentation upon which the General Partner can verify such Investor's status as an Oregon resident and additional documentation as is deemed necessary by the General Partner to comply with the Act or any other state or federal securities laws applicable to this offering. Existing Limited Partners desiring to purchase additional Units must meet the suitability standards outlined herein at the time each additional purchase of Units is made.

It is the responsibility of the General Partner and its licensed salespersons to make every reasonable effort to determine that the purchase of an interest in the Fund is suitable and appropriate for each Limited Partner based on information provided by the Limited Partner regarding the Limited Partner's financial situation and investment objectives and any other relevant information known to the General Partner. The sale of Units will not be complete until five business days after the investor received the final Offering Circular and the Issuer or a person designated by the Issuer sent the investor a confirmation of their purchase

Additional Standards

Units may be acquired for investment purposes only, and not with a view to, or for resale in connection with, any further distribution thereof and purchaser must represent that they, either alone or with a joint owner have either income of the previous tax year of at least \$70,000 or net worth, either alone or combined with a joint owner of at least \$70,000 and such investment in the Units does not constitute more than 20% of such investors net worth. Note that "net worth" for this purpose is calculated exclusive of the value of an investor's home, home furnishings, and automobiles.

TERMS OF THE OFFERING

This Offering is made to a limited number of qualified investors that meet the investor suitability standards set forth above. The Unit subscription price is \$1.00 per Unit with a minimum subscription from each investor of \$25,000, or 25,000 Units.

Subscription Agreements

Securities may be purchased by completing the Subscription Agreement attached hereto as Exhibit B and delivering the executed Subscription Agreement to the General Partner. The sale of the Units will not be complete until five business days after the investor received the final Offering Circular and that the Issuer or a person designated by the Issuer will send the investor a confirmation of their purchase

Subscription Agreement Representations and Warranties

The Subscription Agreement requires each potential investor to make certain representations and warranties upon which the General Partner will rely in accepting an investor's subscription. These include a warranty from each potential investor that:

- The investor has received this Circular and the Limited Partnership Agreement;
- The investor is aware that there is no public market for the Securities, and none will develop; and
- The investor has the power, capacity and authority to make the investment.

The purpose of these warranties is to ensure that the Investor fully understands the terms of the Offering, the risks of an investment and that the Investor is qualified and has the capacity to enter into the Subscription Agreement and invest in Securities. In any claim or action against the Fund or the General Partner, the Fund or the General Partner may use the warranties in the Subscription Agreement as a defense or as a basis for seeking indemnity if the representations are false.

Subscriptions

Investors may purchase Securities by completing and executing the Subscription Agreement and delivering the Subscription Agreement to the General Partner together with the purchase price payable for Securities ("Subscriptions"). The minimum Subscription amount is \$25,000; provided, however, that the General Partner may, in its sole discretion, accept subscriptions in lesser amounts. Subscriptions will be accepted or rejected by the General Partner promptly after receipt. The General Partner reserves the right to reject any subscription submitted for any reason. If accepted, an Investor submitting a Subscription (a "Subscriber") will become a Limited Partner and the Subscriber's entire investment will be deposited into the Fund. (See "Use of Proceeds"). Until then, a subscription is irrevocable, and subscription funds received by the General Partner may be held by it for the account of each Investor in a subscription account pending transfer into the Fund (the "Subscription Account"). The General Partner has the right to admit only a portion of an Investor's subscription funds at any given time; however, in no case, except as otherwise provided herein, will the General Partner admit less than the required minimum investment by an investor (i.e., \$25,000). Only upon receipt by the Fund of proceeds from subscriptions of no less than the Minimum Amount and the subsequent transfer of an investor's subscription funds from the subscription account into the Fund's operating account will an investor become a Limited Partner in the Fund.

Subscriptions are non-cancelable and irrevocable, and subscription funds are non-refundable for any reason, except with the consent of the General Partner.

Restrictions on Transfer

The sale of Securities in this offering has not been registered with the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended (the "Securities Act"), and is being made in reliance upon the exemption from such

registration requirements provided for under Rule 147A promulgated by the SEC under section 28 of the Securities Act. The Securities cannot be resold without registration under the Securities Act or pursuant to an exemption therefrom.

There is no public or trading market for the Securities, and none is expected to develop. The General Partner will not register the Securities with the SEC to facilitate resales. Therefore, Investors must be prepared to hold the Securities indefinitely, without the expectation of liquidity in this investment. (See "**Risk Factors - Risks Related to Ownership of the Securities**").

The Limited Partnership Agreement places the additional restriction that the General Partner must give its prior written consent, which may be withheld in the General Partner's sole discretion, to any sale, transfer or encumbrance of all or any part of an Interest in the Fund. (See "**Summary of Limited Partnership Agreement**"). Therefore, investors needing access to their invested capital in the near term should not invest.

Election to Receive Monthly Cash Distributions

Upon subscription for Units, an investor must elect whether to receive monthly cash distributions from the Fund or to allow his or her earnings to compound through the Distribution Reinvestment Plan. This election, once made, may be revoked by providing reasonable notice to, and upon approval of the General Partner. The General Partner reserves the right, at any time, to immediately commence making monthly cash distributions to ERISA plan investors who previously compounded earnings to ensure that the Fund remains exempt from the Plan Asset Regulations pursuant to the "significant participation" exemptions. (See "**ERISA Considerations**".)

Income allocable to investors who elect to compound their earnings will be retained by the Fund for acquiring assets or other proper Fund purposes. Income from additional assets acquired by the Fund will be allocated among all Limited Partners; however, investors who compound may be credited an increasing proportionate share of Fund earnings compared to investors who receive monthly distributions because the capital accounts of those investors who compound may gradually increase. (See "**Summary of Limited Partnership Agreement - Capital Account Maintenance**".)

Use of Subscriptions to Pay Pending Withdrawal Requests

Subscription amounts transferred into the Fund may be utilized by the General Partner for any proper Fund purpose, including acquiring assets, creating appropriate reserves, or paying Fund expenses. Additionally, the General Partner may accept subscriptions to fulfill Limited Partners' withdrawal requests if at the time of receipt of a subscription there is a "waiting list" for withdrawals from the Fund. (See "**Summary of Limited Partnership Agreement - Withdrawal Limitations**" and "**Risk Factors - Risks Related to Ownership of the Units**".) Investors should ask the General Partner about the aggregate amount of the then-current waiting list for withdrawals and the anticipated waiting period (if any) if that information would be a factor in determining whether to invest in Units.

FUND BUSINESS

General

The Fund expects to purchase Auto Loans identified by the General Partner as being capable of producing returns sufficient to pay the Preferred Return. The Fund has no employees.

Auto Loans

The General Partner expects to acquire economic interests in Auto Loans, often containing sub-prime terms, which the General Partner, or any other unaffiliated company, purchases from dealers who originate Auto Loans. The network of dealers that the General Partner will do business with is anticipated to initially be in Oregon and Nevada.

On an ongoing basis, the General Partner may acquire an economic interest in Auto Loans from a variety of different lenders which may be secured by collateral. The General Partner typically purchases Auto Loans at a discount to the principal amount the consumer is obligated to pay according to the agreement securing the obligation. The amount of the discount is received as income to the General Partner and the Fund acquires the specific discounted Auto Loan at the principal for

which the obligor is required to pay. The economic benefit of any such loan will be assigned to the Fund by contract, but the lender will remain the owner of the loan. The Fund will receive income from the interest paid on such loans and may receive a portion of other fees which may be charged to borrowers, and a portion of funds collected through the repossession process.

Servicing

The General Partner will service the Auto Loans in which the Fund acquires an economic interest and will receive compensation for servicing the loans by retaining a portion of the annual interest received on the loans. The servicing fee payable to the General Partner will be fifteen percent (15%) of the interest received, payable monthly. The Servicing Fee is identical to the Servicing Fee paid in its other limited partnership offering to accredited investors.

If the General Partner does not service a loan in which the Fund acquires an economic interest, the General Partner believes that the Fund will pay similar fees to an unrelated party for similar services.

Management Fee

The General Partner will receive a management fee up to twenty percent (20%) of the interest received on Auto Loans, payable on a monthly basis. (the “Management Fee”). The Management Fee is identical to the Management Fee paid in its other limited partnership offering to accredited investors.

For example, if an Auto Loan in which the Fund acquires an economic interest recognizes \$100 in monthly interest, the General Partner would receive \$15 of that interest income, and up to \$20 of the interest income as a Management Fee. The remaining \$65 of interest would be paid to the Fund. (See “Compensation to the General Partner” and “Conflicts of Interest”).

Asset Purchase Discount

The General Partner is authorized to retain any discount it may have negotiated with a loan originator/dealer when negotiating the purchase price of an interest-bearing loan at less than par when the economic interests of such instrument are sold to the Fund at par. (the “Asset Purchase Discount”)

Steel Returns

The General Partner established Steel Returns in 2021. The General Partner has been purchasing the cash flow from Auto Loans since then. As of the date of this Circular, Steel Returns owns cash flows for over 2,600 Auto Loans with aggregate balances of over \$22,000,000. The typical interest rate of the Auto Loan’s cash flow owned by Steel Returns is 29.9%. Of the 29.9%, Limited Partners in Steel Returns earn a Preferred Return of 10 1/8 %. The difference between the 29.9% interest on the Auto Loans and the 10 1/8% return to limited partners is largely absorbed by servicing costs, including repossession, collection costs, legal fees and management fees. In addition to the fees and costs, in the last 12 months Steel Returns’ Auto Loans have forfeited about 4.5% on average of total principal, however the interest received has been able to replenish the principal as well as return a Preferred Return to limited partners.

Regulation

The consumer lending business is subject to laws and regulations, including the Truth in Lending Act, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, prohibitions against unfair, deceptive and abusive acts and practices, and various other state and federal laws and regulations. These laws and regulations, among other things, may require licensing and qualification; limit interest rates, fees and other charges associated with the retail installment contracts acquired by lenders; require specified disclosures by loan originators to consumers; and define the rights to repossess and sell collateral. Failure to comply with these laws or regulations could have a material adverse effect on the Fund’s revenue by, among other things, limiting the jurisdictions in which a lender from whom the Fund is acquiring an economic interest in loans may operate, restricting its ability to realize the value of the collateral securing the loans, making it more costly or burdensome to do business or resulting in potential liability. The volume of new or modified laws and regulations has

increased in recent years. From time to time, legislation and regulations are enacted which increase the cost of doing business, limit or expand permissible activities or affect the competitive balance among financial services providers. Proposals to change the laws and regulations governing the operations and taxation of financial institutions and financial services providers are frequently made in the U.S. Congress, in the state legislatures and by various regulatory agencies. Such changes in laws and regulations may change the operating environment in substantial and unpredictable ways and may have a material adverse effect on a lender's business and the Fund's cash flow.

Fund Accounting

The General Partner shall, in consultation with the Fund's accountants, be responsible for determining the accounting policies and procedures of the Fund. In connection therewith, the General Partner will assess the Fund's portfolio at intervals determined by the General Partner to be reasonable considering current market conditions to account for or recognize any impairment to the loans or other assets comprising the Fund's portfolio or to otherwise comply with generally accepted accounting principles ("GAAP"). Steel Returns' servicer, the General Partner, directly employs several collections specialists in addition to a servicing staff and an in-house accounting department. To minimize default and maximize returns to the Fund, the General Partner has deployed a proven system for collections. This system involves technology, multiple tiers of recovery and a robust payment platform to collect borrower loan payments. In the event collection efforts fail, the General Partner sells the asset at market rate.

USE OF PROCEEDS

The General Partner acquires economic interests in Auto Loans, often containing sub-prime terms, which General Partner, or any other unaffiliated company, purchases from dealers who originate Auto Loans. The network of dealers that the General Partner will do business with is anticipated to expand upon the Fund's receipt of proceeds from this Offering.

The Fund will receive income from the interest paid on Auto Loans and may receive a portion of other fees which may be charged to borrowers, and a portion of funds collected through the repossession process.

<u>Estimated Use of Proceeds</u>¹	<u>Amount</u>	<u>Percentage</u>
Acquisition of Assets	\$ 100,000,000	100%
Total Estimated Use of Proceeds	\$100,000,000	100%

¹Does not include offering expenses consisting primarily of attorney fees and accounting fees (estimated to be between approximately \$50,000 and \$60,000) associated with the formation of the Fund. If less than the Maximum Amount of the Offering is raised, the General Partner believes the percentages listed would reflect uses of proceeds of a lesser amount. See "COMPENSATION TO THE GENERAL PARTNER").

COMPENSATION TO THE GENERAL PARTNER

The following summarizes the forms of compensation received by the General Partner. All of the amounts described below are payable regardless of the success or profitability of the Fund. None of the following compensation was determined by arm's length negotiations.

Form of Compensation to the General Partner

Estimated Amount or Method of Compensation

Reimbursement of Expenses:

The General Partner has not received reimbursement for the organization costs of the Fund, nor will the General Partner be reimbursed for the organization costs in the future. The General Partner, however, will be entitled to reimbursement for ongoing out-of-pocket operating expenses of the Fund, including legal, accounting, and other professional and third-party fees.

Management Fee: The General Partner will receive its compensation for managing the Fund by retaining twenty (20%) of the income received from Auto Loans, payable on a monthly basis.

Carried Interest: Any additional annual return in excess of the 10.125% Preferred Return will be divided evenly between the General Partner and Limited Partners. Therefore, the General Partner will receive 50% of the Fund’s remaining Net Income provided the Preferred Return has been distributed to the Limited Partners.

Servicing Fee: The General Partner will act as servicing agent with respect to the Auto Loans. interest and shall be entitled to receive a servicing fee equal to fifteen (15%) of the income received from those assets, payable on a monthly basis.

Asset Purchase Discount: The General Partner is authorized to retain any discount it may negotiate with a loan originator when negotiating the purchase price of an Auto Loan at less than par when the Auto Loans are sold to the Fund at par. Discounts generally range between 20-30% of the purchase price of the Auto Loans. (the “Asset Purchase Discount”).

Compensation which may be received by the General Partner is illustrated in the following table:

Consideration to General Partner	Amount of Consideration	Purpose of Consideration	Timing of Payment
Management Fee	Up to 20% of interest collected on Auto Loans	Fund management	Monthly
Carried Interest	50% of the Fund’s Net Income after the Preferred Return is paid to Limited Partners.	Incentive Compensation	Annually, if Net Income permits
Servicing Fee	15% of interest collected received on interest generating assets	Servicing and administrating consumer loans	Monthly
Asset Purchase Discount	Any discount that may be negotiated	Encourages best price from sellers	Upon receipt of purchase by Fund

THE GENERAL PARTNER AND AFFILIATES

The General Partner is Steel Lending Group LLC, an Oregon limited liability company formed August 30, 2021 to engage in the business of acquiring and servicing Auto Loans, which will manage and direct the affairs of the Fund and Steel Returns. Steel Lending Group LLC is owned by Kevin Simrin and Kirk Simrin.

Kevin Simrin, age 60, has been in the real estate and mortgage business since 1989, and in 2021 became involved in purchasing and servicing Auto Loans with his brother Kirk Simrin through their founding and operating Steel Lending, of which he is a 50% owner. Kevin is also the CEO, director and majority shareholder of PacWest Funding, Inc., a licensed loan origination company in the state of Oregon (“PacWest”). PacWest is the sponsor of securities offerings which specialize in private money mortgage loans secured by real property. Kevin has managed these offerings for more than a decade. Mr. Simrin, who attended Lane Community College, is a member of the American Association of Private Lenders and a Certified Fund Manager (CFM). Mr. Simrin will oversee all activity of the General Partner.

Kirk Simrin, age 63 is the former President of Simrin Enterprises Inc dba JNB Trucking, former President of JNB Transport Inc, and the former Vice President of JNB Logistics Inc, and is a 50% owner of the General Partner. He has been in the transportation industry for more than 30 years and has recently become involved in purchasing and servicing motor vehicle chattel paper with his brother Kevin Simrin through their founding and operating and the General Partner. Kirk is also President of the Simrin Family Foundation, a charitable foundation supporting local charitable causes. Kirk has held many volunteer positions with community service non-profits since 2001.

Affiliated Businesses

Pac West has sponsored an annual offering of joint venture interests which have been registered with the Director of the State of Oregon's Department of Consumer and Business Services since 2009 (the "Joint Venture Offering") and an offering of limited partnership interests which purchases mortgage loans secured by real property (the "Precision Fund Oregon, L.P."). In addition to originating loans, PacWest also services the real estate loans owned by the entities it sponsors.

Kevin Simrin is the sole member of PacOne, LLC, an Oregon limited liability company which is the general partner of Pac One Fund, LP, a Delaware limited partnership which also acquires loans from PacWest.

Other Activities of the General Partner and Affiliates

The General Partner and its officers, employees and agents are not required to manage the Fund as their sole and exclusive function and will devote so much of their time to the business and affairs of the Fund as may, in their discretion, be necessary to conduct the affairs of the Fund for the benefit of the Fund and the Limited Partners. The General Partner and its managers, employees and agents may engage, and are engaged in other business activities, including any business within the securities and/or the insurance industry, regardless of whether such business is in competition with the Fund. For example, an affiliate of the General Partner sponsors a limited partnership with similar investment and business objectives as that of the Fund and the General Partner sponsors the Joint Venture Offering. Neither the Fund nor any of the Limited Partners shall have any rights in such independent ventures, and the General Partner and its managers, employees and agents are under no obligation, legal or otherwise, to offer the Fund or any Partner the opportunity of operating, managing or investing in any other enterprise or services.

IT SHOULD NOT BE ASSUMED THAT INVESTORS IN THE OFFERING COVERED BY THIS CIRCULAR WILL EXPERIENCE RETURNS, IF ANY, COMPARABLE TO THOSE EXPERIENCED BY INVESTORS IN ANY PRIOR OFFERINGS OF THE GENERAL PARTNER, THE PRINCIPALS OR THEIR AFFILIATES.

Indemnification

The Fund, its receiver, or its trustee will defend, indemnify, hold harmless, and pay all judgments and claims against the General Partner and any manager, partner, employee, affiliate or agent of the General Partner, and/or the legal representatives or controlling persons of any of them and any employee or agent of the General Partner, relating to any liability or damage incurred by reason of any act performed or omitted to be performed by the General Partner in connection with the business of the Fund, including reasonable attorneys' fees incurred by the General Partner in connection with the defense of any action based on any such act or omission (which attorneys' fees will be paid as incurred), including all such liabilities under federal and state securities laws (including the Securities Act of 1934, as amended) as permitted by law; provided, however, that the person whose act or omission caused the liability, loss or damage must have determined, in good faith, that such course of conduct was: (i) in the best interests of the Fund, and (ii) did not constitute fraud, negligence or misconduct. Any indemnification under the Limited Partnership Agreement shall be recoverable only from the assets of the Fund and not from the assets of the Partners. All judgments against the Fund and a person indemnified hereunder, wherein such person is entitled to indemnification, must first be satisfied from Fund assets before such person will be responsible for any such obligations.

INSOFAR AS INDEMNIFICATION FOR LIABILITIES ARISING UNDER THE SECURITIES ACT OF 1933 MAY BE PERMITTED TO DIRECTORS, OFFICERS OR PERSONS CONTROLLING AN ISSUER PURSUANT TO THE FOREGOING PROVISIONS, THE GENERAL PARTNER HAS BEEN INFORMED THAT IN THE OPINION OF THE SECURITIES AND EXCHANGE COMMISSION SUCH INDEMNIFICATION IS AGAINST PUBLIC POLICY AS EXPRESSED IN THE ACT AND IS THEREFORE UNENFORCEABLE.

In the event of any action by any Partners against the General Partner, including a partnership derivative suit, the Fund will indemnify, hold harmless, and pay all expenses of the General Partner, including reasonable attorneys' fees, incurred in the defense of such action if the General Partner is successful in such action.

Responsibilities of the General Partner

The General Partner is accountable to the Limited Partners to the limited extent as set forth in this Circular and the Limited Partnership Agreement. The General Partner will conduct the affairs of the Fund in the best interests of the Fund and of the Partners.

The General Partner will provide the Limited Partners with summary financial information on a monthly basis and more complete financial statements regarding matters affecting the Fund and each Limited Partner's Interests in accordance with the Limited Partnership Agreement. Each Limited Partner, at such Limited Partner's expense, shall have the right to inspect the Fund's business records during normal business hours as may be reasonably requested by such Limited Partner; provided, however, that the General Partner shall not be obligated to provide access to any information that it reasonably and in good faith considers to be confidential information.

The General Partner shall take all actions necessary or appropriate for (i) the continuation of the Fund's valid existence as a limited partnership under the laws of the State of Delaware (and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Partners or to enable the Fund to conduct the business in which it is engaged), and (ii) the accomplishment of the Fund's purposes, including acquiring assets and any undivided interest therein in accordance with the provisions of this Agreement and applicable laws and regulations.

Termination/Withdrawal of General Partner

The General Partner may only be removed upon an affirmative vote of the Limited Partners holding a majority of the aggregate Units at a meeting called expressly for such removal. The General Partner may be removed for cause for any one of the following reasons: (i) illegal activity; (ii) fraud, dishonesty, act of moral turpitude or any other act or misconduct; or (iii) gross negligence. If the General Partner is removed it shall not receive any further fees as of the date of such removal but shall not affect its rights as a Partner and it shall continue to participate in any rights to distributions under the Limited Partnership Agreement. In such case, a new general partner may be appointed by Limited Partners holding a majority of the aggregate Units.

The General Partner may withdraw upon sixty (60) days prior written notice to the Partners. Upon such withdrawal, a majority of the aggregate Units must consent to elect a new general partner and to elect to continue the business of the Fund. Provided, however, the General Partner may resign and appoint a successor general partner without the requirement of such consent. Substitution of a new general partner will be effective upon written acceptance of the duties and responsibilities under the Limited Partnership Agreement by the new general partner. Steel Lending was the general partner of the Fund upon formation and Windsor Asset Management LLC was substituted as general partner on April 22, 2022 as described above. The failure of the Partners to elect to continue the business of the Fund if the General Partner withdraws or to elect a new general partner as required by the Limited Partnership Agreement, or failure of the new general partner so elected to execute written acceptance of the duties and responsibilities of a general partner shall cause the termination and liquidation of the Fund.

Prospective investors should read the Limited Partnership Agreement attached hereto as Exhibit A. The Limited Partnership Agreement sets forth the specific provisions relating to the management of the Fund.

RISK FACTORS

AN INVESTMENT IN THE FUND INVOLVES A NUMBER OF SIGNIFICANT RISKS. THE RISK FACTORS SET FORTH BELOW ARE THOSE THAT, AT THE DATE OF THIS CIRCULAR, THE GENERAL PARTNER DEEMS TO BE THE MOST SIGNIFICANT. THE FOLLOWING IS NOT INTENDED TO BE A COMPLETE DESCRIPTION OR AN EXHAUSTIVE LIST OF RISKS. OTHER FACTORS ULTIMATELY MAY AFFECT AN INVESTMENT IN THE FUND IN A MANNER AND TO A DEGREE NOT NOW FORESEEN. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, IN ADDITION TO THE MATTERS SET FORTH ELSEWHERE IN THIS CIRCULAR, THE RISKS DISCUSSED BELOW. AN INVESTMENT IN THE FUND SHOULD FORM ONLY A PART OF A COMPLETE INVESTMENT PROGRAM, AND AN INVESTOR MUST BE ABLE TO BEAR THE LOSS OF ITS ENTIRE

INVESTMENT. PROSPECTIVE INVESTORS SHOULD ALSO CONSULT WITH THEIR OWN FINANCIAL, TAX AND LEGAL ADVISORS REGARDING THE SUITABILITY OF THIS INVESTMENT.

General Risks

Operating History

Although the principals of the General Partner have had experience managing assets prior to the formation of the Fund, the Fund was recently formed, and the General Partner has limited operating history upon which prospective investors can evaluate their likely performance. There can be no assurance that the experience of the principals will translate well into the strategy to be employed by the Fund or that the Fund will achieve its stated investment objective.

Ramp-Up Periods

As the Fund becomes established, its initial performance may not represent how the Fund is expected to or may perform in the long term if and when it becomes larger and has fully implemented its investment strategies. Investment positions and expenses may have a disproportionate impact (negative or positive) on performance in the early stages of the Fund's existence. Some time may be required before the Fund is fully invested and able to meet its investment objectives and policies and achieve a representative portfolio composition. Fund performance may be lower or higher during this "ramp-up" period, and may also be more volatile, than would be the case after the Fund is fully invested. Similarly, the Fund's investment strategy may require a longer period of time to show returns that are representative of that strategy. The Fund has no performance history for investors to evaluate and may not attract sufficient assets to achieve investment efficiencies. If the Fund were to fail to successfully implement its investment strategies or achieve its investment objective, performance may be negatively impacted, and any resulting liquidation could create negative transaction costs for the Fund.

Risk of Loss of Capital

A Limited Partner could incur substantial, or even total, losses on an investment in the Fund. An investment in the Fund is only suitable for persons willing to accept this high level of risk.

No Assurance that Preferred Return will be Paid

There can be no assurance that the Fund will generate sufficient net income to permit the Preferred Return to be paid. Since the Units are equity, and not debt instruments, the Fund's ability to generate net income equal to 10.125% of Capital Contributions is critical to its ability to pay the Preferred Return.

Changes in Investment Strategies

The General Partner has broad discretion to expand, revise or contract the Fund's business without the consent of the Limited Partners. The Fund's investment strategies may be altered, without prior approval by the Limited Partners, if the General Partner determines that such change is in the best interest of the Fund.

Limitations on Liability and Indemnification of the General Partner

The Partnership Agreement provides that the General Partner and its respective affiliates, shareholders, members, partners, managers, directors, officers and employees shall not be liable, responsible nor accountable in damages or otherwise to the Fund or any Partner, or to any successor, assignee or transferee of the Fund or of any Partner, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on the General Partner by the Partnership Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by the General Partner of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Fund; (iii) the negligence, dishonesty, bad faith, or other misconduct of any consultant, employee, or agent of the Fund, including, without limitation, an affiliate of the General Partner, selected or engaged by the General Partner with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith, or other misconduct of any Person in which the Fund invests or with which the Fund participates as a partner, joint venturer, or in another capacity,

which was selected by the General Partner with reasonable care and in good faith. Furthermore, the Fund, in the General Partner's sole discretion, will indemnify, defend and hold harmless the General Partner and its respective affiliates, shareholders, members, partners, managers, directors, officers and employees and the legal representatives of any of them (an "***Indemnified Party***"), from and against any loss, liability, damage, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Fund, the Partnership Agreement or any investment made or held by the Fund, including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim, provided that such acts, omissions or alleged acts or omission upon which such actual or threatened action, proceeding or claim are based are not found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence by such Indemnified Party, or (ii) any acts or omissions, or alleged acts or omissions, of any broker or agent of any Indemnified Party, provided that such broker or agent was selected, engaged or retained by the Indemnified Party with reasonable care.

Contingency Reserves

Under certain circumstances, the Fund may find it necessary to set up one or more reserves for contingent or future liabilities and, upon withdrawal by a Limited Partner, withhold a portion of that Limited Partner's withdrawal proceeds. This could happen, for example, if the Fund were involved in a dispute regarding the value of its assets, in litigation, or subject to a tax audit at the time the withdrawal request would otherwise be satisfied.

Compulsory Withdrawals

The General Partner has the authority at its sole discretion to force a withdrawal of part or all of the Limited Partner's Interest for any reason including, without limitation, if the General Partner has reason to believe that the Interest is held in violation of any applicable law, rule, regulation, interpretation, guideline, or policy or that withdrawal is in the best interests of the Fund.

Lack of Insurance

The assets of the Fund are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the Federal Deposit Insurance Corporation or with brokers insured by the Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage. Therefore, in the event of the insolvency of a depository or custodian, the Fund may be unable to recover all of its funds or the value of its securities so deposited. Additionally, the Fund is not insured against losses incurred in trading. Any investment in the Fund may be lost completely.

The Fund's Success is Dependent on Management and Key Personnel

The Fund's success will depend on the expertise of Kevin Simrin and Kirk Simrin, the principals of the General Partner. Neither have extensive experience in the consumer finance industry, although Kevin Simrin has extensive experience in the real estate industry. Moreover, there could be adverse consequences to the Fund if they cease to be available to the Fund. The success of the Fund is therefore expected to be significantly dependent upon the expertise and efforts of the principals of the General Partner. If any of Kevin Simrin, Kirk Simrin, or any of their advisors were unable or unwilling to continue in their positions, the Fund's business and operations could be disrupted or fail.

Risks Related to the Consumer Loan Business

The Fund will be subject to risks related to private money and high-yield consumer loans.

The obligors on the consumer loans are less creditworthy than borrowers who can satisfy institutional lenders' credit requirements or who cannot satisfy institutional lenders' income documentation requirements.

Consumer loans may also be made on an asset rather than credit basis. Such loans involve numerous risks, some of which include: (i) an increased risk of the non-availability of credit for a borrower seeking to purchase a motor vehicle from a

Dealer thereby increasing credit risk to the Fund; (ii) an increased risk of repossessions; (iii) increased constraints on consumer credit affecting the ability of borrowers to purchase motor vehicles; and (iv) an increased risk of an abandonment of the collateral by a borrower due to other financial problems or general market decline. The occurrence of any of these events for a borrower could lead to a default upon a loan, potentially causing losses and extra costs to the Fund, which may lead to lower returns or losses for investors.

Industry, Operational and Macroeconomic Risks

Due to competition from traditional financing sources and non-traditional lenders, the General Partner may not be able to compete successfully.

The automobile finance market for consumers who do not qualify for conventional automobile financing is large and highly competitive. The market is served by a variety of companies including “buy here, pay here” dealerships. The market is also currently served by banks, captive finance affiliates of automobile manufacturers, credit unions and independent finance companies both publicly and privately owned. Many of these companies are much larger and have greater financial resources than are available to the General Partner or other lenders from whom the Fund may purchase certain forms of assets, and many have long standing relationships with automobile dealerships. Providers of automobile financing have traditionally competed based on the interest rate charged, the quality of credit accepted, the flexibility of loan terms offered, and the quality of service provided to dealers and consumers. The General Partner may be unable to compete successfully in the automobile finance market or, due to the intense competition in this market, results of operations, cash flows and financial condition may be adversely affected as the General Partner adjusts its business in response to competitive pressures. Increasing advance rates on consumer loans have the impact of reducing the return on capital the Fund can expect to earn from its economic interest in consumer loans.

Reliance on outsourced business functions could adversely affect business.

The General Partner expects to outsource certain business functions to third party service providers, which increases operational complexity and decreases control. The General Partner will rely on these service providers to provide an important level of service and support, which subjects the General Partner to risks associated with inadequate or untimely service. In addition, if these outsourcing arrangements were not renewed or were terminated or the services provided were otherwise disrupted, the General Partner would have to obtain these services from an alternative provider or provide them using internal resources. The General Partner may be unable to replace or be delayed in replacing these sources and there is a risk that it would be unable to enter into a similar agreement with an alternate provider on terms considered favorable or in a timely manner. In the future, the General Partner may outsource additional business functions. If any of these or other risks related to outsourcing were realized, financial position, liquidity and results of operations could be adversely affected.

Adverse changes in economic conditions, the automobile or finance industries, or the non-prime consumer market could adversely affect financial position, liquidity and results of operations, the ability of key vendors that the General Partner depends on to supply it with services, and its ability to enter into future financing transactions.

The Fund will be subject to general economic conditions which are beyond its control. During periods of economic slowdown or recession, delinquencies, defaults, repossessions and losses may increase on loans, for example, and loan prepayments may decline. These periods are also typically accompanied by decreased consumer demand for consumer goods such as automobiles, and declining values of certain consumer goods securing outstanding loans, which weakens collateral coverage and increases the amount of loss in the event of default. Significant increases in the inventory of used automobiles or other consumer goods during periods of economic recession may also depress the prices at which repossessed collateral may be sold or delay the timing of these sales. Additionally, higher gasoline prices, increased focus on climate-related initiatives and regulation, declining stock market values, unstable real estate values, resets of adjustable rate mortgages to higher interest rates, increasing unemployment levels, general availability of consumer credit or other factors that impact consumer confidence or disposable income could increase loss frequency and decrease consumer demand for automobiles and other discretionary consumer goods, as well as weaken collateral values of collateral or other assets that may be acquired by the Fund. Because the initial assets to be purchased by the Fund will come from a business that is focused on consumers who do not qualify for conventional automobile financing, the actual rates of delinquencies, defaults, repossessions and losses on loans could be higher than those experienced in the general automobile finance industry and could be more dramatically affected by a general economic downturn.

Additionally, during an economic slowdown or recession, servicing costs may increase without a corresponding increase in revenue. Any sustained period of increased delinquencies, defaults, repossessions or losses or increased servicing costs could also materially adversely affect the Fund's financial position, liquidity and results of operations and the General Partner's ability to enter into future financing transactions.

Finally, technological advancements or changes to trends in the automobile industry such as new autonomous driving technologies or car- and ride-sharing programs could decrease consumer demand for automobiles. Decreased consumer demand for automobiles or other consumer goods could negatively impact demand for financing programs as well as weaken collateral values, which could materially adversely affect the Fund's financial position, liquidity and results of operations.

Natural disasters, climate change, acts of war, terrorist attacks and threats or the escalation of military activity in response to these attacks or otherwise may negatively affect business, financial condition and results of operations.

Natural disasters, climate change, acts of war, terrorist attacks and the escalation of military activity in response to these attacks or otherwise may have negative and significant effects, such as imposition of increased security measures, changes in applicable laws, market disruptions and job losses. These events may have an adverse effect on the economy in general. Moreover, the potential for future terrorist attacks and the national and international responses to these threats could affect the business in ways that cannot be predicted. The effect of any of these events or threats could have a material adverse effect on the General Partner's business, financial condition and results of operations.

Governmental or market responses to climate change and related environmental issues could have a material adverse effect on the Fund's business.

Governments have become increasingly focused on the effects of climate change and related environmental issues. How governments act to mitigate climate and related environmental risks, as well as associated changes in the behavior and preferences of businesses and consumers, could have an adverse effect on the Fund's business and results of operations. The General Partner could, for example, experience decreased consumer demand for gasoline-powered automobiles and declining values of gasoline-powered automobiles securing outstanding loans, which would weaken collateral coverage and increase the amount of loss in the event of default. Further, the General Partner may be compelled to change its business practices or its operational processes and could have less access to capital or face a higher cost of capital, because of climate- or environmental-driven changes in applicable law or due to related political, social or market pressure. It is possible as well that changes in climate and related environmental risks, perceptions of them, and governmental responses to them may occur more rapidly than the General Partner's ability to adapt without disrupting its business which could have a material adverse effect on financial position and results of operations.

Changing Consumer Preferences

Changes in consumer preferences for automobiles, and consequently changing consumer preferences could have an adverse effect on net sales, operating results and cash flows.

Cost and Availability of Raw Materials

Prices and availability of raw materials used to manufacture automobiles can change significantly due to fluctuations in supply and demand, and inflationary trends in the economy may make such products more expensive and unaffordable to customers that would otherwise be interested in acquiring them. In addition, the cost of raw materials is also influenced by transportation costs.

Information Technology and Cybersecurity Risks

The dependence on technology could have a material adverse effect on the General Partner's business.

Lending and servicing systems are generally dependent upon internet-based applications. The temporary or permanent loss of any components of these systems through hardware failures, software errors, operating malfunctions, the vulnerability of the Internet or otherwise could interrupt business operations and directly or indirectly harm the business.

The systems, and the equipment, software and Internet access on which lenders and loan servicers depend, may be subject to cyber-attacks, security breaches and other cybersecurity incidents. There can be no assurance that cybersecurity incidents will not have a material adverse effect on the General Partner or the Fund in the future.

Failure to properly safeguard confidential consumer information could subject the General Partner to liability, decrease profitability and damage its reputation.

In the ordinary course of business, the General Partner expects to collect and store sensitive data, including proprietary business information and personally identifiable information of consumers, on the General Partner's computer networks. The secure processing, maintenance and transmission of this information is critical to the General Partner's operations and business strategy.

If third parties are able to breach the General Partner's network security, the network security of a third party that it shares information with or otherwise misappropriate consumers' personal information, or if the General Partner gives third parties improper access to consumers' personal information, the General Partner could be subject to liability. This liability could include identity theft or other similar fraud-related claims. This liability could also include claims for other misuses or losses of personal information, including for unauthorized marketing purposes. Other liabilities could include claims alleging misrepresentation of our privacy and data security practices.

Legal and Regulatory Risks

The General Partner may become involved in litigation from time to time which may adversely affect financial condition, results of operations and cash flows.

As a result of the generally consumer-oriented nature of the industry in which the General Partner intends to operate, and uncertainties with respect to the application of various laws and regulations in some circumstances, the Fund or a lender from whom the Fund has purchased an asset may become subject to various consumer claims, litigation and regulatory investigations seeking damages, fines and statutory penalties, based upon, among other things, usury, disclosure inaccuracies, wrongful repossession, violations of bankruptcy stay provisions, certificate of title disputes, fraud and breach of contract. As a party to loans acquired by lenders, the Fund may also be named as a co-defendant in lawsuits filed by consumers principally against loan originators or lenders. The Fund may also have disputes and litigation with loan originators or lenders. The General Partner may also have disputes and litigation with vendors and other third parties. The claims may allege, among other theories of liability, that it breached a license agreement or contract. The damages, fines and penalties that may be claimed by consumers, regulatory agencies, lenders, vendors or other third parties in these types of matters can be substantial. The relief requested by plaintiffs varies but may include requests for compensatory, statutory and punitive damages and injunctive relief, and plaintiffs may seek treatment as purported class actions. A significant judgment against the General Partner in connection with any litigation or arbitration could have a material adverse effect on its financial position, liquidity and results of operations.

Changes in tax laws and the resolution of uncertain income tax matters could have a material adverse effect on results of operations and cash flows from operations.

The Fund and the General Partner are subject to income tax in many of the various jurisdictions in which the General Partner operates. Increases in statutory income tax rates and other adverse changes in applicable law in these jurisdictions could have an adverse effect on results of operations.

If a lender cannot collect all the principal and interest due on its loans, the Fund's ability to earn a profit or to fund withdrawals will be impaired.

The Fund's liquidity is dependent on, among a variety of other things, payments by borrowers of principal and interest on the loans. The General Partner expects that lenders will continually monitor the delinquency status of the Fund's loan portfolio and promptly institute collection activities on delinquent accounts, but these efforts may ultimately prove unsuccessful. Loan repayments are also likely to be affected by economic conditions. Any failure by a lender, for any reason, to collect nearly the entire principal and interest on loans in which the Fund holds an economic interest may impair the

Fund's ability to operate successfully and to make withdrawal distributions to requesting Limited Partners unless the net proceeds earned on the sale of the collateral securing the loans are adequate to cover such amounts and can be realized on a timely basis.

There may be Investment Company Act Risks which may result in the Fund required to pay significant legal fees.

The Fund intends to avoid becoming subject to the Investment Company Act of 1940, as amended (the "1940 Act"); however, the Fund cannot assure prospective investors that under certain conditions, changing circumstances or changes in the law, the Fund may not become subject to the 1940 Act in the future as a result of the determination that the Fund is an "investment company" within the meaning of the 1940 Act that does not qualify for an exemption as set forth below. Becoming subject to the 1940 Act could have a material adverse effect on the Fund. Additionally, the Fund could be terminated and liquidated due to the cost of registration under the 1940 Act. In general, the 1940 Act provides that if there are 100 or more investors in a securities offering, then the 1940 Act could apply unless there is an exemption; however, the 1940 Act generally is intended to regulate entities that raise monies where the entity itself "holds itself out as being engaged primarily, or purposes to engage primarily, in the business of investing, reinvesting or trading in securities" (Section 3(a)(1)(A) of the 1940 Act).

The second key definition of an "investment company" under the 1940 Act considers the nature of an entity's assets. Section 3(a)(1)(C) of the 1940 Act defines "investment company" as any issuer that: "...is engaged or proposes to engage in the business of investing, reinvesting, owning, holding, or trading in securities, and owns or proposes to acquire investment securities having a value exceeding 40% of the value of such issuer's total assets (exclusive of Government securities and cash items) on an unconsolidated basis." Section 3(b)(1) of the 1940 Act provides that a company is not an "investment company" within the meaning of the 1940 Act if it is: "[An] issuer primarily engaged, directly or through a wholly-owned subsidiary or subsidiaries, in a business or businesses other than that of investing, reinvesting, owning, holding, or trading in securities..."

Section 3(c) of the 1940 Act provides for the following relevant exemptions: "Notwithstanding subsection (a), none of the following persons is an investment company within the meaning of this title: (1) Any issuer whose outstanding securities (other than short-term paper) are beneficially owned by not more than one hundred persons and which is not making and does not presently propose to make a public offering of its securities. Such issuer shall be deemed to be an investment company for purposes of the limitations set forth in subparagraphs (A)(i) and (B)(i) of section 12(d)(1) governing the purchase or other acquisition by such issuer of any security issued by any registered investment company and the sale of any security issued by any registered open-end investment company to any such issuer. For purposes of this paragraph: (A) Beneficial ownership by a company shall be deemed to be beneficial ownership by one person, except that, if the company owns 10 per centum or more of the outstanding voting securities of the issuer, and is or, but for the exception provided for in this paragraph or paragraph (7), would be an investment company, the beneficial ownership shall be deemed to be that of the holders of such company's outstanding securities (other than short-term paper). (B) Beneficial ownership by any person who acquires securities or interests in securities of an issuer described in the first sentence of this paragraph shall be deemed to be beneficial ownership by the person from whom such transfer was made, pursuant to such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title, where the transfer was caused by legal separation, divorce, death, or other involuntary event. (5) Any person who is not engaged in the business of issuing redeemable securities, face-amount certificates of the installment type or periodic payment plan certificates, and who is primarily engaged in one or more of the following businesses: (A) ***Purchasing or otherwise acquiring notes, drafts, acceptances, open accounts receivable, and other obligations representing part or all of the sales price of merchandise, insurance, and services*** [emphasis added]; (B) making loans to manufacturers, wholesalers, and retailers of, and to prospective purchasers of, specified merchandise, insurance, and services; and (C) purchasing or otherwise acquiring mortgages and other liens on and interests in real estate."

Based upon the above, the Fund believes it is not subject to the 1940 Act since it does not believe that it owns securities, and even if that position were successfully challenged, it qualifies for an exemption from registration since it does not hold itself out as an investment company and is not in the business of issuing redeemable securities, face-amount certificates or period plan certificates and will be primarily engaged in the business of purchasing non-securities, making, funding or otherwise acquiring loans secured by real property and/or personal property. Notwithstanding the foregoing, there are no assurances that this will ultimately be the case. In the event the Fund becomes subject to the registration requirements of

the 1940 Act, the Fund may incur substantial legal fees. This may adversely affect Limited Partners in the sense that if the Company does not have funds to pay said legal fees, it may be unable to distribute income to the Limited Partners.

Risks Related to the Fund's Business

The proceeds of this Offering to be invested in have not yet been identified, and Limited Partners will have no opportunity to review Auto Loans selected by the General Partner. The General Partner will make all decisions with respect to the management of the Fund, including the determination as to which Auto Loans to purchase. Additionally, the Fund is dependent to a substantial degree on the continued services of the General Partner and its principals. In the event of the dissolution of the General Partner or the death, retirement or other incapacity of either Kevin Simrin or Kirk Simrin, the business and operations of the Fund may be adversely affected.

The Limited Partners will not have the ability to control the day-to-day operations of the Fund or to control the General Partner. It will be difficult to remove the General Partner.

The Limited Partners will not have a voice in the management decisions of the Fund and can exercise only a very limited amount of control over the General Partner. The Limited Partners have only the voting rights set forth in the Limited Partnership Agreement or required by Delaware law. A vote of a majority in interest of the Limited Partners (a "Partner Majority") is required to remove the General Partner. Because there may be a significant number of Limited Partners holding Units, and Limited Partners may have differing opinions with respect to a course of action to take respecting the Fund, it may be difficult, time consuming and costly to solicit adequate votes to remove the General Partner.

The General Partner is not required to devote its full time to the business of the Fund.

The General Partner is not required to devote its full time to the Fund's affairs, but only such time as the affairs of the Fund may reasonably require. The principal of the General Partner has ongoing businesses outside of and in addition to the business of the Fund, which will compete for the General Partner's time and resources.

The General Partner is subject to conflicts of interest.

There are several areas in which the interests of the General Partner will conflict with those of the Fund, which should be carefully considered. (See "Conflicts of Interest.")

Limited Partners of the Fund will have no claim to the fees payable to the General Partner.

The Fund will pay certain fees and compensation to the General Partner. (See "Compensation to the General Partner.") These fees will be owed as incurred. Even if the Fund is unsuccessful in generating sufficient income to cover its operations, it will have no claim against the General Partner for a refund of such fees.

Risks Related to Ownership of the Units

There is no market for the Units, and transfer of the Units could be severely restricted by law or market conditions.

There is no public market for the Units, and none is expected to develop in the future even though the Units are not restricted securities as that term is used under the federal securities laws. Therefore, all purchasers of Units must have the ability to withstand the economic risks of this investment with the understanding that their interest in the Fund may not be liquidated by resale and should expect to hold their Units for an indeterminate period of time and should understand that such inability to sell or withdraw "on demand" will subject an investment in Units to any losses the Fund may experience during such period.

Limited Partners will be subject to actions taken by a Majority of Limited Partners.

The Limited Partners have only the voting rights set forth in the Limited Partnership Agreement or required by Delaware law and a vote of a Partner Majority is required to exercise such rights. Consequently, each Limited Partner will have no right to require or approve any action of the Fund or the General Partner that conflicts with the will of the Partner Majority and it may be difficult, time consuming and costly to solicit adequate votes to take any action because there may be a significant number of Limited Partners holding Units, and Limited Partners may have differing opinions and perspectives with respect to a course of action to take.

If the Fund cannot collect all the principal and interest due on any of its assets, the Fund's ability to earn a profit or to fund withdrawals will be impaired.

The Fund's liquidity is dependent on, among many other things, payments by borrowers of principal and interest on loans in which the Fund has an economic interest. The General Partner expects that lenders will continually monitor the delinquency status of the loan portfolio and promptly institute collection activities on delinquent accounts, but these efforts may ultimately prove unsuccessful. Loan repayments are also likely to be affected by economic conditions in the finance market. The failure of the Fund to collect nearly all the principal and interest on Fund loans will affect the Fund's profitability and may substantially impair the Fund's ability to operate successfully.

The Fund may be at risk for leveraging the portfolio.

The Fund may borrow funds from a third-party lender, investors, and/or financial institutions to acquire additional assets for the Fund, or to borrow against assets it owns. These loans may be secured by the assets then held by the Fund. In order to obtain such a loan, the Fund may also assign part or its entire asset portfolio to the lender. Such borrowed money may bear interest at a variable rate, whereas the Fund may be making fixed rate loans. Therefore, if prevailing interest rates rise, the Fund's cost of money could exceed the income earned from that money, thus reducing the Fund's profitability or causing losses. . Furthermore, leveraging the Fund may also result in the receipt of some taxable income by investors (such as ERISA plans) that are otherwise tax-exempt. (See "*Federal Income Taxation Considerations*").

The Fund will be taxed as a Partnership and the Limited Partners will be taxed as "Partners."

The Fund will elect to be treated as a partnership for federal income tax purposes. Schedule K-1 will be sent to Limited Partners no later than March 15 for the preceding tax year. Any favorable federal tax treatment presently available with respect to the Fund could be affected by any changes in tax laws that may result through future Congressional action, tax court or other judicial decisions, or interpretations of the Internal Revenue Service.

IN VIEW OF THE FOREGOING, PROSPECTIVE LIMITED PARTNERS ARE URGED TO REVIEW THE "FEDERAL INCOME TAX CONSEQUENCES" SECTION CAREFULLY AND TO CONSULT THEIR OWN TAX COUNSEL.

The Units are not insured or guaranteed by any government agency or public entity or third party.

The Units represent equity interests in the Fund, and as such are not insured or guaranteed by the Federal Deposit Insurance Corporation (the "*FDIC*"), the Securities Investor Protection Corporation (the "*SIPC*") or any other governmental agency or any other public or private entity, in contrast to certificates of deposit or accounts offered by banks, savings and loan associations or credit unions. Limited Partners in the Fund will be dependent on the General Partner's ability to effectively manage the Fund's business to generate sufficient cash flow for the repayment of Limited Partners' capital and the generation of any profit. If Fund cash flow proves inadequate, investors could lose part or all their investments.

The timing of Fund loss recognition (if any) will be based on various factors, and losses will be allocated to Investors who purchased Units before the loss is recognized for accounting purposes even though the loss occurred earlier.

The Fund will earn income over the course of a month (or other accounting period) and such income is allocated to Limited Partner's capital accounts over the course of that period. However, losses tend to be identified and recognized as the result

of specific events, and thus losses are allocated less frequently and at the end of an accounting period. As with most other investments, a purchaser may purchase Units before a loss has been recognized for accounting purposes, but once recognized, such loss will be allocated to the investor's Units as well as to the other Limited Partners of the Fund on the loss recognition date. In addition, under certain circumstances the General Partner may be aware that a loss could occur, but the General Partner will not immediately recognize a loss. Therefore, investors should be aware that if any actual or potential losses exist before they purchase Units they may be recognized afterwards and could be allocated to their capital accounts.

The Fund is not required to set aside any funds to satisfy requests for withdrawals or redemptions from the Fund. A new investor's subscription may be used in whole or in part to fund withdrawals or redemptions.

The General Partner will not create or contribute funds to a separate account to fund requests for withdrawal from the Fund and redemption of an investor's Units. Because funds are not set aside periodically to fund such withdrawals, Limited Partners must rely on cash flow from operations and funds from the sale of Units to satisfy withdrawal requests. Money received from the sale of Units may be used in whole or in part, at the discretion of the General Partner, to fund such withdrawal and redemption requests. To the extent cash flow from operations and the sale of Units is not sufficient to fund withdrawal requests received by the Fund at any time, a Unit which is unredeemed will remain subject to Fund operations, which may include Fund losses. Furthermore, an investor may be admitted to the Fund at a time when there is a waiting list to withdraw, making it likely that such investor will not be able to withdraw quickly upon being admitted and therefore will remain subject to the Fund's operating results, which may include losses.

Fluctuations in interest rates pose risks to the Fund's business.

Interest rates are subject to abrupt and substantial fluctuations, but the right of a Limited Partner to withdraw capital from the Fund is subject to substantial restriction and Units are a substantially illiquid investment. If prevailing interest rates rise above the average interest rate being earned by the Fund's asset portfolio, investors may wish to liquidate their investment to take advantage of higher returns available from other investments but may be unable to do so.

Limited Partners may be obligated to return certain impermissible distributions.

Limited Partners are not required to contribute any additional capital to the Fund beyond their investment to pay any debts of the Fund. Under Delaware law, however, limited partnerships, such as the Fund are prohibited from making distributions to their Limited Partners if following such distribution, the limited partnership would be unable to pay its debts or following such distribution the limited partnership's total liabilities would exceed its total assets. Limited Partners receiving such distributions may be obligated to return the distribution, but only if such Limited Partner had actual knowledge of the impropriety of the distribution at the time it was made. Consequently, to the extent that a return of a Limited Partner's capital contribution is deemed a distribution, a Limited Partner may be required under certain circumstances to return such distributions to the Fund to discharge the Fund's liabilities to creditors who extended credit to the Fund during the period such capital contribution was held by the Fund.

The Units are risky and speculative investments and if an Investor cannot afford to lose his or her entire investment, they should not invest.

Prospective investors should be aware that the Units are risky and speculative investments suitable only for investors of adequate financial means. If an Investor cannot afford to lose his or her entire investment, they should not invest in the Units. If the Fund accepts an investment, you should not assume that the Units are a suitable and appropriate investment.

There is no guaranty that monthly distributions of Fund income will be made. Investors that will sustain substantial economic hardship in the absence of monthly income distributions from the Fund should not invest.

An investor in the Fund may elect to have his or her share of Fund earnings distributed, however, neither the amount of, nor the right to, such monthly distributions is guaranteed. Investors purchasing Units are only entitled to distributions equal to their pro-rata share of monthly net income to the extent cash is available for distribution. If the Fund is unable to generate sufficient accrued cash in any given month to distribute to electing Limited Partners, no distributions will be made. (See

"Summary of Limited Partnership Agreement - Cash Distributions.") Consequently, investors that will rely on the monthly income received from the Fund to meet their monthly expenses or who will suffer substantial economic hardship in the absence of such income should not invest.

Investors have not been independently represented in the formation of the Fund.

Investors in the Fund have not been represented by independent counsel in its organization, and the attorneys who have performed services for the Fund have also represented the General Partner. Thus, conflicts of interest between the Fund and the General Partner may not have been addressed as vigorously as in an arms-length transaction. (See "Conflicts of Interest.")

RESPONSIBILITIES OF THE GENERAL PARTNER

The General Partner is accountable to the Limited Partners to the limited extent as set forth in this Circular and the Limited Partnership Agreement. The General Partner will conduct the affairs of the Fund in the best interests of the Fund and of the Limited Partners.

The General Partner will provide, upon request, the Limited Partners with information regarding matters affecting the Fund and each Limited Partner's Units, in accordance with the Limited Partnership Agreement. Each Limited Partner, at such Limited Partner's expense, shall have the right to inspect the Fund's business records during normal business hours as may be reasonably requested by such Limited Partner; provided, however, that the Fund shall not be obligated to provide access to any information that it reasonably and in good faith considers to be confidential information.

The General Partner shall take all actions necessary or appropriate for (i) the continuation of the Fund's valid existence as a limited partnership under the laws of the State of Delaware (and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Limited Partners or to enable the Fund to conduct the business in which it is engaged), (ii) comply with the Corporate Transparency Act on behalf of the Fund, and (iii) the accomplishment of the Fund's purposes, including acquiring and servicing assets and any undivided interest therein in accordance with the provisions of the Partnership Agreement and applicable laws and regulations. The General Partner has a fiduciary responsibility to the Fund for the safekeeping and use of all funds and Fund assets, whether or not the General Partner has possession or control of those funds or assets.

The Limited Partnership Agreement provides that the Fund shall indemnify the General Partner and its shareholders, officers, directors, employees and agents for any liability or loss (including attorneys' fees, which shall be paid as incurred), suffered by such party, and shall hold the General Partner harmless for any loss or liability suffered by the Fund, so long as a General Partner determined, in good faith, that the course of conduct which caused the loss or liability was in the best interests of the Fund, and such loss or liability did not result from the gross negligence or gross misconduct of the General Partner. Any such indemnification shall only be recoverable out of the assets of the Fund and not from Limited Partners. Notwithstanding the foregoing, the General Partner nor any of its Affiliates shall be indemnified for any liability imposed by judgment (including costs and attorneys' fees) arising from or out of a violation of state or federal securities laws associated with the offer and sale of Units. However, indemnification will be available for settlements and related expenses of lawsuits alleging securities law violations if a court approves the settlement and indemnification, and for expenses incurred in successfully defending such lawsuits if a court approves such indemnification. Such indemnification shall survive the termination of the Limited Partnership Agreement.

Limited Partners may have a more limited right of action than they would have absent these provisions in the Limited Partnership Agreement. A successful indemnification of the General Partner could deplete the assets of the Fund. Limited Partners who believe that a breach of the General Partner's fiduciary duty has occurred should consult with their own legal counsel.

ERISA CONSIDERATIONS

The Employee Retirement Income Security Act of 1974 ("ERISA") contains strict fiduciary responsibility rules governing the actions of "fiduciaries" of employee benefit plans. It is anticipated that some Limited Partners will be corporate pension or profit-sharing plans and Individual Retirement Accounts, or other employee benefit plans that are subject to ERISA. In any such case, the person making the investment decision concerning the purchase of Units will be a "fiduciary" of such plan and will be required to conform to ERISA's fiduciary responsibility rules. Persons making investment decisions for employee benefit plans (i.e., "fiduciaries") must discharge their duties with the care, skill, and prudence which a prudent person familiar with such matters would exercise in like circumstances. In evaluating whether the purchase of Units is a "prudent" investment under this rule, fiduciaries should consider each of the risk factors set forth above. Fiduciaries should also carefully consider the possibility and consequences of unrelated business taxable income (see "Federal Income Tax Considerations."), as well as the percentage of plan assets which will be invested in the Fund, insofar as the diversification requirements of ERISA are concerned. An investment in the Fund is relatively illiquid, and fiduciaries must not rely on an ability to convert an investment in the Fund into cash to meet liabilities to plan participants who may be entitled to distributions.

DUE TO THE COMPLEX NATURE OF ERISA, EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT HIS OWN TAX ADVISOR OR PENSION CONSULTANT TO DETERMINE THE APPLICATION OF ERISA TO HIS OR HER PROSPECTIVE INVESTMENT.

The Fund will limit subscriptions for Units from ERISA plan investors such that, immediately after each sale of Units, ERISA plan investors will hold less than 25% of the total outstanding partnership interests in the Fund.

Fiduciaries of plans subject to ERISA are required to determine annually the fair market value of the assets of such plans as of the close of any such plan's fiscal year. Although the General Partner will provide annually upon the written request of a Limited Partner an estimate of the value of the Units based upon, among other things, outstanding investments, it may not be possible to value the Units adequately from year to year, because there will be no market for them.

CONFLICTS OF INTEREST

The following is a list of the important areas in which the interests of the General Partner will conflict with those of the Fund. The Limited Partner must rely on the general fiduciary standards which apply to a general partner of a limited partnership to prevent unfairness by the General Partner and/or its Affiliates in a transaction with the Fund. (See "Responsibilities of the General Partner.") Except as may arise in the normal course of the relationship, there are no transactions presently contemplated between the Fund and its General Partner or Affiliates other than those listed below.

Fees Payable to the General Partner

None of the compensation set forth under "Compensation to the General Partner" was determined by arm's length negotiations. The Management Fee will be up to 20% of the interest received on auto loans, and the Servicing Fee an additional 20% of interest received. Any increase in such charges will have a direct, adverse effect upon the overall rate of return to Limited Partners. Conversely, if the General Partner reduces those fees, a higher rate of return might be obtained for the Fund and the Limited Partners. In addition, the General Partner typically acquires the Auto Loans at a discount to the principal amount due on the Auto Loans. Accordingly, the General Partner is motivated by the amount of the discount of the principal amount due on the Auto Loans acquired that it receives which is independent of the return to Limited Partners.

Competition for Acquisition of Auto Loans

The Fund and Steel Returns are in the same business and compete for the General Partner's time as well as which Auto Loans are to be selected for purchase and for which entity. Accordingly in selecting Auto Loans for purchase by either Steel Returns or the Fund, the General Partner is required to determine which of the two limited partnerships will be the owner of the particular Auto Loan. While the General Partner intends to show no partiality to either entity and the criteria

for loan selection are identical, there can be no assurance that the collection and default experience of Auto Loans owned by the Fund will not be less favorable than that of Steel Returns.

Other Funds or Businesses

The General Partner may engage for its own account, or for the account of others, in other business ventures, like that of the Fund, Steel Returns or otherwise, and neither the Fund nor any Limited Partner shall be entitled to any interest therein.

The Fund will not have independent management and it will rely on the General Partner, shareholders, officers, directors and agents for the operation of the Fund. The General Partner will devote only so much time to the business and affairs of the Fund as is reasonably required. Kevin Simrin and Kirk Simrin will have conflicts of interest in allocating management time, services and functions among the General Partner, the Joint Venture Offering, The Fund and any future partnerships which it may organize as well as other business ventures in which it may be involved. The General Partner believes it has sufficient resources to be capable of discharging its responsibilities to all such entities.

Lack of Independent Legal Representation

The Fund has not been represented by independent legal counsel to date. The use by the General Partner and the Fund of the same counsel in the preparation of this Circular and the organization of the Fund has resulted in the lack of independent review. Prospective investors must rely on their own legal counsel for legal advice relating to this investment.

FEDERAL INCOME TAX CONSIDERATIONS

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION PRIMARILY OF THE U.S. TAX CONSEQUENCES TO PROSPECTIVE LIMITED PARTNERS. EACH PROSPECTIVE LIMITED PARTNER SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE FUND. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE LIMITED PARTNER.

Neither the Fund nor the General Partner has sought a ruling from the U.S. Internal Revenue Service (the “***IRS***”) or any other U.S. federal, state or local agency with respect to any of the tax issues affecting the Fund, however the General Partner has received an opinion of counsel regarding the legality of the issuances of the Units and that it is more likely than not that the Fund will be taxed as a partnership.

This summary of certain aspects of the Federal income tax treatment of the Fund is based upon the Internal Revenue Code of 1986, as amended (the “***Code***”), judicial decisions, Treasury Regulations (the “***Regulations***”) and rulings in existence on the date hereof, all of which are subject to change. This summary does not discuss the impact of various proposals to amend the Code which could change certain of the tax consequences of an investment in the Fund. The discussion contained herein is not a full description of the complex tax rules involved and is based upon existing laws, judicial decisions and administrative regulations, rulings, and practices, all of which are subject to change, retroactively as well as prospectively. A decision to invest in the Fund should be based upon an evaluation of the merits of the investment program, and not upon any anticipated U.S. tax benefits. Additionally, the following discussion is based, in part, on the recently enacted Tax Cuts and Jobs Act, H.R.1, which became effective as of January 1, 2018 (the “***Tax Act***”). The Tax Act, including the provisions relating to entities treated as partnerships, is new and complex. The discussion about the Tax Act in this Circular may not be complete and potential investors are urged to consult their individual tax advisors to understand how the Tax Act will apply to them with respect to an investment in the Fund.

Classification of the Fund as a Partnership

Subject to the discussion set forth below, a business (such as the Fund) that has two or more partners and that is not organized as a corporation under federal or state law will generally be classified as a partnership for U.S. federal income tax purposes. The General Partner has received an opinion from counsel that 1) the Fund is more likely than not to be taxed as a partnership and not as an association for federal income tax purposes and, 2) the issuance and sale of the Units against payment for such

Units will have been duly authorized by all necessary action by the Partnership, that the Units will be validly issued and, under Delaware law, purchasers of the Units will have no obligation to make further payments for their purchase of Units solely by reason of their ownership of the Units or their status as limited partners.

An entity that would otherwise be classified as a partnership for U.S. federal income tax purposes may nonetheless be taxable as a corporation if it is a publicly-traded partnership (a “***PTP***”). For this purpose, a partnership is “publicly traded” if its interests are traded on an established securities market or are readily tradable in a secondary market (or the substantial equivalent thereof). The General Partner intends to operate the Fund, however, so that the Units will not be traded on an established securities market nor readily tradable in a secondary market and, therefore, the Fund should not be treated as a PTP taxable as a corporation.

Taxation of Limited Partners

Assuming the Fund is treated as a “partnership” for federal income tax purposes, the Fund as an entity will not be directly subject to any federal income taxes. The Fund will, however, file information returns for each tax year setting forth the income, gains, items of tax preference, losses, deductions, and credits of the Fund. The Fund will provide tax information to the Limited Partners for use in the preparation of their individual federal income tax returns. Each Limited Partner will be required to report on his individual income tax return his allocable share of the Fund’s taxable income, gains, items of tax preference, losses, deductions, and credits for the taxable year of the Fund ending within or with his own tax year. The requirement that a Limited Partner include in his gross income his share of the Fund’s income, gains and items of tax preference does not depend upon the Fund’s making distributions of cash or property to the Limited Partners. Therefore, a Limited Partner may incur tax liability if the Fund has income, even though no cash distribution is made to the Limited Partner.

If cash or other property is distributed to a Limited Partner, such distribution is applied first to reduce the Limited Partners adjusted basis in his Units, and any amounts of cash in excess of the adjusted basis in his Units will be treated as gain from a sale of the Units. If the Limited Partner has held his Units for longer than one year, such gain will be taxable as long-term capital gain unless the Limited Partner is deemed to be a “dealer” with respect to the Units and except to the extent of such Limited Partner’s share of the Fund’s “unrealized receivables” and “substantially appreciated inventory” as defined in Section 751 of the Code. It is unlikely any significant gain on a sale of the Units would be deemed to be attributable to an unrealized receivable or substantially appreciated inventory and, therefore, constitute ordinary income. Any decrease in a Limited Partner’s share of Fund liabilities will be treated as a distribution of cash to such Limited Partner.

Tax Basis in Limited Partnership Units

The tax basis of a Limited Partner’s Units limits the Fund losses a Limited Partner is permitted to deduct and is used in determining the gain or loss a Limited Partner recognizes on distributions in complete or partial disposition of his Units. As a general rule, the tax basis of a Limited Partner in his Units will be determined by the amount of cash contributed to the Fund or his cost basis in the Units. Such basis will be increased by the Limited Partner’s distributive share of Fund income, his proportionate share of any liabilities with respect to which such Limited Partner bears the economic risk of loss (“***Recourse Liabilities***”), and his proportionate share of any liabilities with respect to which no Limited Partner bears the economic risk of loss (“***Nonrecourse Liabilities***”).

Taxation of Undistributed Fund Income

Under the laws pertaining to federal income taxation of partnerships, no federal income tax is paid by the Fund as an entity. Each individual partner reports on his federal income tax return his distributive share of Fund income, gains, losses, deductions, and credits, regardless of if any actual distribution is made to such partner during a taxable year. Each individual partner may deduct his distributive share of Fund losses, if any, to the extent of the tax basis of his Units at the end of the Fund year in which the losses occurred. The characterization of an item of profit or loss will usually be the same for the partner as it was for the Fund. Since individual partners will be required to include Fund income in their personal income without regard to whether there are distributions of Fund income, such investors will become liable for federal and state

income taxes on Fund income even though they have received no cash distributions from the Fund with which to pay such taxes.

Distributions of Income

To the extent cash distributions exceed the current and accumulated earnings and profits of the Fund, they will constitute a return of capital, and each Limited Partner will be required to reduce the tax basis of his Units by the amount of such distributions and to use such adjusted basis in computing gain or loss, if any, realized upon the sale of Units. Such distributions will not be taxable to Limited Partners as ordinary income or capital gain until there is no remaining tax basis, and, thereafter, will be taxable as gain from the sale or exchange of the Units.

Tax Returns

Annually, the Fund will provide the Limited Partners (but not assignees of Limited Partners unless they become substituted Limited Partners) sufficient information from the Fund's informational tax return for the Limited Partners to prepare their individual federal, state, and local tax returns, including Schedule K-1. The Fund's informational tax returns will be prepared by certified public accountants selected by the General Partner.

Trade or Business Income

The Fund will report its income as being derived from the trade or business of lending or buying and selling various assets, not as "portfolio income." The General Partner believes this is the proper characterization, but there can be no assurance that the Internal Revenue Service will not challenge it. If the Fund is deemed to be engaged in the trade or business of lending money, its income allocable to that business will generally be characterized as non-passive income, against which passive losses from other sources may not be offset. This is true even though its net losses allocable to that activity will be treated as passive activity losses. If the Fund is not considered engaged in a trade or business, then income and loss from its activities will be considered portfolio income and loss. In either case, Limited Partners will not be permitted to offset passive losses from other activities against Limited Partners' share of that portion of income. Under Section 469 of the Code, the Fund's income will not be passive income against which passive losses from other sources may be offset.

Deductibility of Partnership Investment Expenditures and Certain Other Expenditures

Following the enactment of the Tax Act, no miscellaneous itemized deductions are allowed for taxable years beginning after December 31, 2017, and before January 1, 2026. Many, if not all, of the expenses incurred by the Fund in connection with its investment activities may be treated as miscellaneous itemized deductions and, therefore, until January 1, 2026, may not be deductible by the Limited Partners. Commencing January 1, 2026, and assuming the suspension of miscellaneous itemized deductions isn't made permanent or at least extended, investment expenses (e.g., investment advisory fees) paid or incurred for the production of income of an individual, trust or estate would be deductible subject to the following limitations.

First, investment expenses would be deductible only to the extent they exceed 2% of adjusted gross income. In addition, an individual with an adjusted gross income in excess of a specified amount would be further restricted in deducting such investment expenses. Under such provision, there would be a limitation on the deductibility of investment expenses in excess of 2% of adjusted gross income to the extent such excess expenses (along with certain other itemized deductions) exceed the lesser of (i) 3% of the excess of the individual's adjusted gross income over the specified amount or (ii) 80% of the amount of certain itemized deductions otherwise allowable for the taxable year. Moreover, such investment expenses are miscellaneous itemized deductions which would not be deductible by a non-corporate taxpayer in calculating its alternative minimum tax liability.

The 2% floor on the deductibility of investment expenses and the non-deductibility of such expenses for alternative minimum tax purposes also apply, in modified form, to estates and trusts. The consequences of these limitations will vary depending upon the personal tax situation of each taxpayer, and each Limited Partner is advised to consult his, her, or its own tax advisor with respect to the application of these limitations to that Limited Partner.

Whether or not the Fund's general and administrative expenses are subject to the above limitations as investment expenses, they should (except to the extent they may be allocated to a passive activity subject to the rules of section 469 of the Code) constitute "investment expenses," which will reduce a Limited Partner's "net investment income" for purposes of the limitation on the deductibility of investment interest under section 163(d) of the Code.

Organization Expenses, Syndication Expenses; Start-Up Expenditures

Section 709 of the Code generally prohibits any Limited Partner from deducting any amounts paid or incurred to organize the Fund or to promote the sale of (or to sell) an interest in the Fund. Instead, Section 709 generally permits the Fund to amortize such organization expenses ratably over a period of not less than 180 months. Such organization expenditures include those (i) incurred incident to the creation of the Fund, (ii) chargeable to the capital account, and (iii) of a character which, if expended incident to the creation of a partnership having an ascertainable life, would be amortized over such life. The Fund presently intends to amortize qualifying organization expenditures over a 180-month period. Notwithstanding, these organizational expenses are treated as miscellaneous itemized deductions and, according to the Tax Act, will not be deductible by the Limited Partners.

Expenses connected with the promotion or sale of interests in a partnership, known as syndication fees, are not deductible by the Fund or the Limited Partners and are not eligible for the 180-month amortization as is the case for organizational expenses. Syndication fees include such expenditures connected with the issuing and marketing of interests in a partnership such as sales commissions, certain professional fees, selling expenses and printing costs. Regulation Sections 1.709-1 and 1.709-2 make it clear that the definition of syndication costs includes counsel fees related to securities law advice, certain accountants' fees, brokerage fees and registration fees. The allocation of certain expenses between organization costs and syndication costs is a question of fact and the General partner will use reasonable judgment in claiming amortization deductions for a portion of the organizational expenses. The IRS may, however, contest such deductions.

Section 195 of the Code provides that no deduction is allowed for start-up expenditures. However, taxpayers may similarly amortize startup expenditures over a period of not less than 180 months. Start-up expenditures include amounts paid or incurred in connection with investigating the creation or acquisition of an active trade or business or paid or incurred in connection with any activity engaged in for profit and for the production of income prior to the day on which the active trade or business begins, in anticipation of the activity becoming an active business. Similarly, with organizational expenses, such start-up expenses are treated as miscellaneous itemized deductions and, according to the Tax Act, will not be deductible by the Limited Partners.

Application of Rules for Income and Losses from Passive Activities

Generally, a taxpayer's deductions from passive activities may be used to reduce the taxpayer's tax liability in a given taxable year only to the extent of income from passive activities. A passive activity includes: (a) one which involves the conduct of a trade or business in which the taxpayer does not materially participate; or (b) in general, any rental activity. In general, a taxpayer will be treated as materially participating in an activity only if the taxpayer is involved in the operations of the activity on a regular, continuous, and substantial basis. In general, an interest as a limited partner in a general partner managed limited partnership will be treated as an interest in which such limited partner does not materially participate. For this reason, it is anticipated that these restrictions on the use of losses from passive activities will apply to any tax loss generated by the Fund. The passive activity rules apply to individuals (including limited partners, members, and S corporation shareholders), estates, trusts, personal service corporations and closely held corporations (that is corporations more than 50 percent of the stock of which is owned by five or fewer individuals).

To the extent that a taxpayer's aggregate losses from all passive activities exceed the taxpayer's aggregate income from all such activities in a given taxable year, the taxpayer has a "passive activity loss" for such year. Such a loss may be carried forward to successive taxable years until fully used against income from passive activities in such years; however, such losses may not be carried back to prior years.

When a taxpayer disposes of its entire interest in a passive activity in a transaction in which all of the gain or loss realized on such disposition is recognized, any loss from that activity that was disallowed by the passive loss rules will cease to be treated as a passive loss, and any loss on such disposition will not be treated as arising from a passive activity. Such losses

will be allowed as deductions against income in the following order: (i) gain recognized on such disposition; (ii) net income or gain for the taxable year from all passive activities; and (iii) any other income or gain.

Application of Basis Limitations on Losses of the Fund

The amount of any loss of the Fund that a Limited Partner is entitled to include in its income tax return is limited to its adjusted tax basis in its Units as of the end of the Fund's taxable year in which such loss occurred. Generally, a Limited Partner's adjusted tax basis for its Units is equal to the amount paid for such Units, increased by the sum of (i) its share of the Fund's liabilities, as determined for federal income tax purposes, and (ii) its distributive share of the Fund's realized income and gains, and decreased (but not below zero) by the sum of (i) distributions (including decreases in its share of the Fund's liabilities) made by the Fund to such Limited Partner and (ii) such Limited Partner's distributive share of the Fund's realized losses and expenses.

Application of "At-Risk" Limitations on Losses of the Fund

The amount of any losses (otherwise allowable for the year in question) that may be deducted by individuals, and certain corporations, in connection with activities that are part of a trade or business or that are engaged in the production of income, cannot exceed the aggregate amount with respect to which such taxpayer is "at risk" in such activity at the close of the tax year. A Limited Partner generally will be considered "at risk" to the extent of the cash and adjusted basis of other property contributed to a partnership, as well as any borrowed amounts contributed to a partnership with respect to which such Limited Partner has personal liability for payment from the Limited Partner's own assets. An obligation to make an additional capital contribution is not treated as a cash contribution until payment is actually made to the partnership. If at the end of a taxable year a Limited Partner's amount "at risk" has been reduced below zero, the deficit amount "at risk" is recaptured and must be included in gross income in that year. The amount recaptured is treated in future years as if it were a deduction suspended by the "at risk" provisions. To the extent that Limited Partner's amount "at risk" is increased above zero in a subsequent year, this additional deduction may be allowable at such time.

Application of Excess Business Losses Limitations on Losses of the Fund. Pursuant to the Tax Act and for tax years beginning after December 31, 2017, and before January 1, 2026, if a non-corporate taxpayer incurs an "excess business loss" then this loss shall be disallowed and treated as a net operating loss and carried forward to subsequent tax years. For these purposes, Section 461(l) of the Code generally defines "excess business loss" as the amount by which the taxpayer's aggregate deductions attributable to the taxpayer's trades or businesses exceeds the sum of the aggregate gross income and or gains attributable to those trades or businesses plus an additional \$250,000 (or \$500,000 in the case of married individuals filing joint returns). As mentioned above, there are several other loss limitation rules (e.g., passive loss limitation, at-risk loss limitation, and basis limitation). Section 461(l) of the Code specifically provides that the "excess business loss" is applied after the application of the passive loss limitation rules. It is not yet clear whether and how the at-risk limitation and/or the basis limitation will affect the calculation.

Capital Gain and Capital Losses

In general, a Limited Partner's allocable share of the capital gains allocated to the Fund from the sale or exchange of a "capital asset" and net gain from the sale or exchange of certain property used in a trade or business and which capital asset or property is held for more than one year, if any, should be eligible for long-term capital gain treatment (any such gain or net gain, "***Long-Term Capital Gain***"). Further, under current law, an individual Limited Partner would generally be able to deduct his or her allocable share of the Fund's capital losses for a tax year against his or her, including his or her allocable share of the Fund's, capital gains for such year and then against up to \$3,000 (\$1,500 for a married individual filing a separate return) of his or her ordinary income for such year. An individual Limited Partner would then be able to carry forward indefinitely (although not carry back) any remaining non-deducted capital losses for possible deduction in later taxable years. For corporate taxpayers, all net capital gains, whether long-term or short-term, are taxed at the corporation's regular tax rate. For such taxpayers, capital losses may only offset capital gains, but unused capital losses may be carried backwards and forwards to other years, subject to certain limitations.

Tax Rates; Additional 3.8% U.S. Federal Tax on “Net Investment Income”

Under the Tax Act, the tax rates for individuals were revised commencing in 2018. Such tax rates expire on December 31, 2025, unless they are otherwise extended or made permanent by Congress.

Under the Tax Act, there are seven ordinary income tax brackets for individuals: 10%, 12%, 22%, 24%, 32%, 35% and 37%. The 10% tax bracket applies to single taxpayers with taxable income of not more than \$9,525, to married taxpayers who are filing jointly with taxable income of not more than \$19,050, to married taxpayers who are filing separately with taxable income of not more than \$9,525, and to taxpayers who are heads of households with taxable income of not more than \$13,600. The 12% tax bracket applies to single taxpayers with taxable income of more than \$9,525 but not more than \$38,700, to married taxpayers who are filing jointly with taxable income of more than \$19,050 but not more than \$77,400, to married taxpayers who are filing separately with taxable income of more than \$9,525 but not more than \$38,700, and to taxpayers who are heads of households with taxable income of more than \$13,600 but not more than \$51,800. The 22% tax bracket applies to single taxpayers with taxable income of more than \$38,700 but not more than \$82,500, to married taxpayers who are filing jointly with taxable income of more than \$77,400 but not more than \$165,000, to married taxpayers who are filing separately with taxable income of more than \$38,700 but not more than \$82,500, and to taxpayers who are heads of households with taxable income of more than \$51,800 but not more than \$82,500. The 24% tax bracket applies to single taxpayers with taxable income of more than \$82,500 but not more than \$157,500, to married taxpayers who are filing jointly with taxable income of more than \$165,000 but not more than \$315,000, to married taxpayers who are filing separately with taxable income of more than \$82,500 but not more than \$157,500, and to taxpayers who are heads of households with taxable income of more than \$82,500 but not more than \$157,500. The 32% tax bracket applies to single taxpayers with taxable income of more than \$157,500 but not more than \$200,000, to married taxpayers who are filing jointly with taxable income of more than \$315,000 but not more than \$400,000, to married taxpayers who are filing separately with taxable income of more than \$157,500 but not more than \$200,000, and to taxpayers who are heads of households with taxable income of more than \$157,500 but not more than \$200,000. The 35% tax bracket applies to single taxpayers with taxable income of more than \$200,000 but not more than \$500,000, to married taxpayers who are filing jointly with taxable income of more than \$400,000 but not more than \$600,000, to married taxpayers who are filing separately with taxable income of more than \$200,000 but not more than \$500,000, and to taxpayers who are heads of households with taxable income of more than \$200,000 but not more than \$500,000. The 37% tax bracket applies to single taxpayers with taxable income above \$500,000, to married taxpayers who are filing jointly with taxable income above \$600,000, to married taxpayers who are filing separately with taxable income above \$500,000, and to taxpayers who are heads of households with taxable income above \$500,000.

Under the Tax Act, Long-Term Capital Gain recognized by, and/or allocable to, an individual taxpayer in a taxable year: (a) is taxed at a rate of 20% if the individual has taxable income of over \$425,800 for single taxpayers (or: (i) \$479,000 for married taxpayers filing jointly, (ii) \$452,400 for taxpayers who are heads of household, and (iii) \$239,500 for married taxpayers filing separately); (b) 15% for single taxpayers with taxable income between \$38,000 and \$425,800 for single taxpayers (or: (i) between \$77,200 and \$479,000 for married taxpayers filing jointly, (ii) between \$51,700 and \$452,400 for taxpayers who are heads of household, and (iii) between \$38,600 and \$239,500 for married taxpayers filing separately); and (c) 0% for all other taxpayers. However, the Long-Term Capital Gain is taxed at a rate of 25% for any such gain that constitutes “unrecaptured section 1250 gain” – generally, the amount of previously-claimed real property depreciation deductions “recaptured” in any direct or indirect sale or other taxable disposition of such real property. Also, under current law, the ordinary income and short-term capital gain recognized by (and allocated to) an individual are subject to U.S. federal income tax rates from a 10% to a maximum 37%, depending on the individual’s filing status and taxable income.

In addition, for taxable years beginning after December 31, 2012, individuals (other than non-resident aliens) are subject to an additional 3.8% United States federal tax on the lesser of (i) their net investment income, and (ii) the excess of their adjusted gross income (determined with certain modifications on account of certain foreign earned income and related deductions) over a threshold amount of \$250,000 in the case of a taxpayer filing a joint return or a surviving spouse, \$125,000 in the case of a married taxpayer filing a separate return, and \$200,000 in all other cases. A similar 3.8% United States federal tax will be imposed on certain trusts and estates in respect of the lesser of their undistributed net investment income and the excess of their adjusted gross income over a prescribed threshold. Net investment income is determined under prescribed rules, including special rules relating to income from passive trades or businesses, trades, or businesses of trading in financial instruments or commodities, and in respect of dispositions of interests in partnerships and S corporations.

Alternative Minimum Tax

The Code provides for an alternative minimum tax for non-corporate taxpayers which is imposed to the extent that such tax exceeds the taxpayer's regular income tax liability. Alternative minimum taxable income is equal to regular taxable income determined with certain modifications. Among the modifications are the non-deductibility of certain itemized amounts and other items otherwise deductible (or partially deductible) for purposes of determining regular taxable income, and the addition to regular taxable income of certain tax preference items. The application of the alternative minimum tax to a Limited Partner cannot be predicted without a thorough consideration of all aspects of the Limited Partner's tax situation. Therefore, it is the responsibility of each Limited Partner to consult with his/her own tax advisor to determine the impact, if any, which the alternative minimum tax might have on an investment in the Fund.

Tax Audits; Partnership Representative

The General Partner will act as the "partnership representative" of the Fund. The partnership representative will have the authority, subject to certain restrictions, to act on behalf of the Fund in connection with any administrative or judicial review of items of the Fund's income, gain, loss, deduction, or credit.

A tax return preparer may not sign a return without itself incurring a penalty unless either in its view each position taken on such return is more likely than not to be sustained if challenged by the IRS or such position is separately disclosed on the return. The Fund may adopt positions that require such disclosure, which may increase the likelihood the IRS will examine the Fund's tax returns or may forego otherwise valid reporting positions to avoid such disclosure, which may increase the tax payable by a Limited Partner.

Legislation was recently enacted that significantly changes the rules for U.S. federal income tax audits of partnerships. Such audits will continue to be conducted at the partnership level, however, unless a partnership qualifies for and affirmatively elects an alternative procedure, any adjustments to the amount of tax due (including interest and penalties) will be payable by the partnership. Under the alternative procedure, if elected, a partnership would issue information returns to persons who were Limited Partners in the audited year, who would then be required to take the adjustments into account in calculating their own tax liability, and the partnership would not be liable for the adjustments. If the Fund is able to and in fact elects the alternative procedure for a given adjustment, the amount of taxes for which such persons will be liable will be increased by any applicable penalties and a special interest charge.

There can be no assurance that the Fund will be eligible to make such an election or that it will, in fact, make such an election for any given adjustment. If the Fund does not or is not able to make such an election, then (1) the then current Limited Partners, in the aggregate, could indirectly bear income tax liabilities in excess of the aggregate amount of taxes that would have been due had the Fund elected the alternative procedure, and (2) a given Limited Partner may indirectly bear taxes attributable to income allocable to other Limited Partners or former Limited Partners, including taxes (as well as interest and penalties) with respect to periods prior to such Limited Partner's ownership of Units in the Fund. Accordingly, it is possible that a Limited Partner will bear tax liabilities unrelated to its ownership of Units in the Fund. Amounts available for distribution to the Limited Partners may be reduced as result of the Fund's obligations to pay any taxes associated with an adjustment.

The partnership representative of the Fund will be the only person with the authority to act on behalf of the Fund with respect to audits and certain other tax matters and may decide not to elect (or may be unable to elect) the alternative procedure for any particular adjustment. In addition, the Fund and each Limited Partner will be bound by the actions taken by the partnership representative on behalf of the Fund during any audit or litigation proceeding concerning U.S. federal income taxes.

State and Local Taxation

In addition to the U.S. federal income tax consequences described above, prospective Limited Partners should consider potential state of Oregon and local tax consequences of an investment in the Fund. State and local laws often differ from Federal income tax laws with respect to the treatment of specific items of income, gain, loss, deduction, and credit. A Limited Partner's distributive share of the taxable income or loss of the Fund generally will be required to be included in determining its reportable income for state and local tax purposes in the jurisdiction in which it is a resident. Prospective

Limited Partners should consult with their own advisors as to the applicability of such rules in jurisdictions which may require or impose a filing requirement.

Unrelated Business Taxable Income

Units may be offered and sold to certain tax-exempt entities (such as qualified pension or profit-sharing plans) that otherwise meet the investor suitability standards described elsewhere in this Circular. (See "Investor Suitability Standards.") Such tax-exempt entities generally do not pay federal income taxes on their income unless they are engaged in a business which generates "unrelated business taxable income," as that term is defined by Section 513 of the Code. Under the Code, tax exempt purchasers of Units may be deemed to be engaged in an unrelated trade or business due to interest income earned by the Fund. Interest income does not constitute an item of unrelated business taxable income, except to the extent it is derived from "debt-financed property".

The trustee of any trust that purchases Units in the Fund should consult with his or her tax advisors regarding the requirements for exemption from federal income taxation and the consequences of failing to meet such requirements, in addition to carefully considering the fiduciary responsibilities of a trustee with respect to such matters as investment diversification and the prudence of investments.

SUMMARY OF LIMITED PARTNERSHIP AGREEMENT

The following is a summary of the Limited Partnership Agreement for the Fund and is qualified in its entirety by the terms of the Agreement itself. Potential investors are urged to read the entire Agreement, which is set forth as Exhibit A.

Rights and Liabilities of Limited Partners

The rights, duties and powers of Limited Partners are governed by the Limited Partnership Agreement and Sections 15611, et seq. of the Delaware Corporations Code (the Delaware Revised Limited Partnership) and the discussion herein of such rights, duties and powers is qualified in its entirety by reference to such Agreement and Act.

Investors who become Limited Partners in the Fund in the manner set forth herein will not be responsible for the obligations of the Fund. They will be liable, however, to the extent of any deficit in their Capital Accounts upon dissolution and may also be liable for any return of capital plus interest, if necessary, to discharge liabilities existing at the time of such return. Any cash distributed to Limited Partners may constitute, wholly or in part, return of capital.

Limited Partners will have no control over the management of the Fund, except that a Partner Majority may, without the concurrence of the General Partner, take the following actions: (a) amend the Limited Partnership Agreement (provided such amendment does not adversely affect the rights of the Limited Partners); (b) approve or disapprove the sale of all or substantially all the assets of the Fund; or, (c) remove and replace the General Partner. The approval of a Partner Majority is also required to elect a new general partner to continue the business of the Fund after the General Partner ceases to be a general partner. Limited Partners representing 10% of the limited partnership interests may call a meeting of the Fund.

Capital Contributions

Units in the Fund will be sold in Units of \$1.00 per Unit with a minimum purchase of \$25,000, and no person may acquire less than 25,000 Units without the consent of the General Partner. (For purposes of meeting this minimum investment requirement, a person may cumulate Units he purchases individually with Units purchased by his or her spouse and for his or her ERISA plan, IRA, rollover-IRA, pension, or profit-sharing plan.)

Profits and Losses

Profits and losses of the Fund will be allocated among the Limited Partners on a monthly basis according to their respective outstanding capital accounts. Upon transfer of Units (if permitted under the Limited Partnership Agreement and applicable law), profit and loss will be allocated to the transferee's Capital Account beginning on the day of such transfer.

Cash Distributions

Cash distributions will be made only to those Limited Partners who make the written election to receive such distributions. Other Limited Partners will receive credits to their Capital Accounts in amounts equal to their respective allocable shares of Fund income, which results in a compounding effect on their earnings.

As a result, the percentage of Units of non-electing Limited Partners (including voting rights and shares of future income) may increase due to the compounding effect of crediting income to their Capital Accounts, while the percentage of Units of Limited Partners who receive cash distributions will decrease during the term of the Fund.

Capital Account Maintenance

The General Partner will establish a Capital Account for each Limited Partner which will, upon admission to the Fund, be credited with the amount paid by such Limited Partner for the purchase of Units. Thereafter, Limited Partners' capital account balance will be increased by: (i) the Limited Partners' pro rata share of any net profits received by the Fund in such month; and (ii) any additional capital contributions made by a Limited Partner during such month through the purchase of additional Units.

Limited Partners' capital account balance will be reduced by (i) the Limited Partner's pro rata share of any Fund losses incurred in such month; (ii) the amount of cash distributions made to a Limited Partner (but only in the case of Limited Partner's electing monthly income distributions); and (iii) the amount of any withdrawal distributions made to a Limited Partner in such month (if any).

In the event any interest in the Fund is transferred, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

Accounting and Reports

The Limited Partners shall also be provided with such detailed information as is reasonably necessary to enable them to complete their own tax returns by the March 15 date after the end of the year.

Restrictions on Transfer

The Limited Partnership Agreement places limitations upon transferability of Units. Any transferee must be a person that would have been qualified to purchase Units in this Offering. Units may not be transferred if, in the sole judgment of the General Partner, a transfer would jeopardize the availability of exemptions from the registration requirements of federal securities laws, jeopardize the tax status of the Fund as a limited partnership taxed as a partnership, or cause a termination of the Fund for federal income tax purposes.

A transferee may not become a substitute Limited Partner without the consent of the General Partner. Such consent may not be unreasonably withheld if the transferor and the transferee comply with all the provisions of the Agreement of Limited Partnership and applicable law. A transferee who does not become a substitute Limited Partner has no right to vote in matters brought to a vote of the Limited Partners, or to receive any information regarding the Fund or to inspect the Fund's books but is entitled only to the share of income or return of capital to which the transferor would be entitled.

General Partner's Interest

The General Partner may withdraw and retire from the Fund at any time upon not less than sixty days' written notice to all Limited Partners and appoint a successor general partner. Upon such withdrawal and retirement, the General Partner is not entitled to any termination or severance payment from the Fund but shall be paid its then-outstanding capital account balance, provided such payment does not result in the Fund's insolvency or create liquidity issues as determined by the successor General Partner. In that event the Fund will issue the departing General Partner with a note representing the balance in its Capital Account. The General Partner may also sell and transfer its General Partner's interest in the Fund

(including all powers and authorities associated therewith) for such price as it shall determine in its sole discretion, and neither the Fund nor the Limited Partners will have any interest in the proceeds of such sale.

Term of Fund

The term of the Fund commenced upon the filing of the Certificate of Limited Partnership with the Office of the Secretary of State of Delaware and will continue until dissolved as provided in the Limited Partnership Agreement; or by operation of law.

Winding Up

The Fund will not terminate immediately upon the occurrence of an event of dissolution but will continue until its affairs have been wound up. Upon dissolution of the Fund, the General Partner will wind up the Fund's affairs by liquidating the Fund's assets as promptly as is consistent with obtaining the fair current value thereof, either by sale to third parties or by collecting income received from any outstanding loans. All funds received by the Fund shall be applied to satisfy or provide for Fund debts and the balance shall be distributed to partners in accordance with the terms of the Limited Partnership Agreement.

Withdrawal Limitations

A Limited Partner has no right to withdraw from the Fund or to obtain a return of all or any portion of the sums paid for the purchase of Units (or reinvested earnings with respect thereto) for a minimum of 12 months after such Units are purchased. Withdrawal payments will be made subject to certain limitations on the amount withdrawn per quarter and available cash flow as discussed herein. A Limited Partner may initiate a withdrawal (or partial withdrawal) from the Fund by giving written notice to the General Partner ("Notice of Withdrawal"). Additionally, a Limited Partner may give Notice of Withdrawal during the 12-month minimum investment period, but the Fund is not required to return any sums to a withdrawing Limited Partner, however, will consider withdrawal requests based on hardship.

Exceptions to Limitations on Withdrawal

Notwithstanding the foregoing, the Fund may give priority to the return of the capital accounts of certain Limited Partners and may return such capital accounts prior to the expiration of the minimum 12-month investment period, under the following circumstances:

First, upon the death of the sole beneficiary of a corporate pension or profit-sharing plan, Individual Retirement Account or other employee benefit plan subject to ERISA or upon the death of a Limited Partner (the "Deceased Investor"), the return of such Deceased Investor's capital account shall have priority over the return of other withdrawing Limited Partners' Capital Accounts and may be returned prior to the expiration of such 12-month minimum investment period. Accordingly, if the administrator, executor or other personal representative of the estate of the Deceased Investor gives the General Partner Notice of Withdrawal on or before the last day of the month immediately preceding the last month of a given calendar quarter, the entire capital account of the Deceased Investor will be returned on the last day of such calendar quarter disregarding the 12-month minimum investment period. Notwithstanding the foregoing, if the Deceased Investor's capital account exceeds \$25,000, then such capital account shall be returned in quarterly installments not to exceed \$25,000 until the entire capital account has been returned in full.

Second, the General Partner, in its sole and absolute discretion, will have the right, at any given time, to immediately return all or a portion of the capital account of one or more ERISA plan investors (the "ERISA Plan Investors") to ensure that the Fund remains exempt from the Plan Asset Regulations. (See "ERISA Considerations.") The return of such ERISA Plan Investors' capital accounts shall have priority over the return of all other withdrawing Limited Partners' capital accounts, including those of Deceased Investors, and may be returned prior to the expiration of such 12-month minimum investment period.

Return of Capital Account

The amount that a withdrawing Limited Partner will receive from the Fund is determined by the Limited Partner's Capital Account. A Capital Account is a sum calculated for tax and accounting purposes and may be greater than or less than the fair market value of the Limited Partner's interest in the Fund. The fair market value of a Limited Partner's interest in the Fund will generally be irrelevant in determining amounts to be paid upon withdrawal, except to the extent that the current fair market value of the Fund's portfolio is realized by sales of existing assets.

The return of a withdrawing Limited Partner's Capital Account is subject to the following limitations:

(1) The Fund will not establish a reserve from which to fund withdrawals, and accordingly, the Fund's capacity to return a Limited Partner's Capital Account is restricted to the availability of Fund cash flow in any given calendar quarter. For this purpose, cash flow shall be deemed available only after all current Fund expenses have been paid (including compensation to the General Partner and Affiliates) and adequate provision has been made for maintaining adequate reserves and for the payment of all monthly cash distributions on a pro rata basis which must be paid to Limited Partners who elected to receive such distributions upon subscription for Units.

(2) In the sole and absolute discretion of the General Partner, to ensure that the Fund remains exempt from the ERISA plan asset regulation, the Fund may apply available cash flow to return all or a portion of the Capital Accounts of ERISA Plan Investors.

(3) The Fund will first apply any available cash flow to return the capital accounts of Deceased Investors, subject to a \$25,000 limit per Deceased Investor per calendar quarter.

(4) The Fund is not required to liquidate assets prior to any underlying maturity to liquidate the Capital Account of a withdrawing Limited Partner but is expected to distribute whatever cash flow is available to all Limited Partners who have requested withdrawal and provided proper notice on a first come first served basis.

(5) Except as otherwise provided by clause (3) above, distributions of Capital Accounts to withdrawing Limited Partners are limited to 25% of a Limited Partner's Capital Account balance per calendar quarter.

(6) Finally, except upon the winding up and termination of the Fund, the General Partner will not, within any one calendar year, liquidate the more than the lesser of 10% of the aggregate Fund Capital Accounts outstanding at the beginning of that calendar year, or \$500,000. Withdrawal requests will be processed quarterly on a first come first served basis.

LEGAL MATTERS

The General Partner has retained legal counsel to advise it and the Fund regarding the preparation of this Circular and the Limited Partnership Agreement, as well as the offer and sale of the Units offered hereby. Such counsel has not been retained represent the interests of the Limited Partners regarding the Units offered hereby. Investors purchasing Units that wish to obtain the benefit of review by legal counsel on their behalf must retain their own attorneys to do so.

PLAN OF DISTRIBUTION

Units will be offered and sold by the General Partner or by its duly authorized agents, who will receive no commission or other remuneration regarding the sale of the Units.

ADDITIONAL INFORMATION AND UNDERTAKINGS

The General Partner undertakes to make available to each offeree every opportunity to obtain any additional information from the Fund or the General Partner necessary to verify the accuracy of the information contained in this Circular to the

extent that it possesses such information or can acquire it without unreasonable effort or expense. This additional information includes, without limitation, all the organizational documents of the Fund, information regarding past experience of the General Partner and all other documents or instruments relating to the operation and business of the Fund which are material to this offering and the transactions contemplated and described in this Circular.