



CONFIDENTIAL
SUBSCRIPTION BOOKLET

COLONIAL IMPACT FUND-II, LLC

NOTES

January 20, 2015

**520 Silicon Drive, Suite 110
Southlake, TX 76092-2001**

Table of Contents

Overview	i
Sample Promissory Note	1
Intercreditor Security Agreement	6
Subscription Agreement	13

COLONIAL IMPACT FUND-II, LLC OVERVIEW

This booklet contains documents which must be read, executed, and returned if you wish to invest in Colonial Impact Fund-II, LLC, a Delaware limited liability company (the "Fund"). You should consult with an attorney, accountant, investment advisor, or other advisor regarding an investment in the Fund.

If you decide to invest, please fill out, sign, and return the documents pertinent to you, as listed under each of the headings below with a check or wire (wire instruction provided separately) payable to Colonial Impact Fund-II, LLC, at the following address: 520 Silicon Drive, Suite 110, Southlake, TX 76092-2001.

For individuals the documents to be signed and/or completed and returned are:

1. The Signature Page for Individuals.
2. The Suitability Statement for Individuals.
3. The Signature Page of the Intercreditor Security Agreement

For entities the documents to be signed and/or completed and returned are:

1. The Signature Page for Entities.
2. The Suitability Statement for Entities.
3. The Signature Page of the Intercreditor Security Agreement.

What this Booklet Contains:

1. A sample Promissory Note.
2. An Intercreditor Security Agreement.
3. A Subscription Agreement.

The Subscription Agreement is the document by which you agree to subscribe for and purchase a Note in the Fund. Section 3 of the Intercreditor Security Agreement includes a power of attorney granted to Colonial Capital Management LLC, Manager of the Fund ("CCM" or "Manager"), as Representative for the Note Holders. By signing this Agreement you will be granting the power of attorney contained therein, which among other things grants CCM the authority to sign certain instruments and agreements with respect to the Notes on your behalf.

4. The Suitability Statements.

The Suitability Statements, which are in Section 12 of the Subscription Agreement and part of the Subscription Agreement, are important and must be completed by each Investor.

Privacy Statement:

The Fund is committed to maintaining the confidentiality, integrity, and security of the personal information of its Note Holders.

The Fund does not disclose nonpublic personal information about its Note Holders to third parties other than as described below. The Fund collects information about its Note Holders (such as the Note Holder's name, address, tax ID number, assets, and income) and their transactions with the Fund (such as investments, withdrawals, performance, and account balances) from discussions with Note Holders and from documents that Note Holders may deliver to the Fund such as subscription agreements. In order to provide services to the Fund and the Note Holders, the Fund may provide a Note Holder's personal information to its Affiliates and to firms that assist the Fund and that have a need for such information, such as lawyers, accountants, or other service providers and as permitted by law.

The Fund maintains physical, electronic, and procedural safeguards designed to protect the nonpublic personal information the Fund obtains about its Note Holders.

Please contact Ryan Parson, Director of Investor Relations at 888-633-1113 ext. 12, or ryan.parson@colcapmgmt.com if you have any questions.

SAMPLE PROMISSORY NOTE

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THIS NOTE HAS BEEN ACQUIRED WITHOUT A VIEW TO DISTRIBUTION AND MAY NOT BE OFFERED, SOLD, TRANSFERRED, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THIS NOTE UNDER THE ACT AND UNDER ANY APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL FOR THE NOTE HOLDER (CONCURRED IN BY LEGAL COUNSEL FOR THE FUND) THAT SUCH REGISTRATION IS NOT REQUIRED AS TO SUCH SALE OR OFFER.

**PROMISSORY NOTE
COLONIAL IMPACT FUND-II, LLC**

Note Schedule: 20____ Q____

Rate Tier: _____

Term Tier: _____

Maturity Date: _____

FOR VALUE RECEIVED, as of _____, which is the Issue Date, in accordance with the terms and conditions contained in this Note and that certain Subscription Agreement entered into by the Fund and _____ of even date herewith, Fund promises to pay to Note Holder in the manner described below, the Principal sum and interest thereon specified in this Note. The Manager of the Fund shall execute this Note and the Documents on behalf of the Fund.

All capitalized terms in this Note have the meanings given to them in the Private Placement Memorandum ("PPM") dated January 20, 2015, the Intercreditor Security Agreement, the company operating agreement ("Operating Agreement"), or the Subscription Agreement (together with the Note and all other documents that the Manager determines to be necessary or desirable to be executed in connection with Note Holder's investment, the "Documents"). This Note and the Documents, each and all, form the necessary documents for a purchase of a Note. The Note Holder shall execute each and every Document required by the Manager to effect a purchase of a Note.

1. Amount and Repayment.

1.1 **Principal.** The initial Principal of this Note is US \$ _____ (_____ Dollars) ("Principal"). The Principal shall be adjusted by any payments or prepayments.

1.2 **Interest.** The interest payable on this Note is payable as follows:

(a) **Note Rate.** The Note Rate of this Note is ____%. Note interest is payable at the end of each calendar quarter.

1.3 Payment; Prepayment.

(a) **Payments.** All Principal and interest shall be paid in full on demand of the Note Holder after the Maturity Date, by delivering notice to the Fund as set forth below.



(b) **Cash-Out Notice.** A Note Holder shall be required to provide 90 days' written notice to the Manager of Note Holder's desire to cash-out and receive payment of outstanding principal and interest upon the Maturity Date (the "Cash-Out Notice"). If the Note Holder does not provide the Cash-Out Notice at least 90 days prior to the Maturity Date, the Note upon the Maturity Date will automatically extend at the Note Rate less 1% until either (i) the Note Holder notifies the Fund that it wishes for the outstanding balance of the Note to be rolled over into a new Note, based on the then current Note Schedule, and such new Note is executed, or (ii) 90 days after the Note Holder provides a Cash-Out Notice.

(c) **90 Day Continuation of Note.** The Fund shall have the right to continue to make interest payments on a monthly basis to the Note Holder at the existing Note Rate plus 1% for up to 90 days beyond the Maturity Date, or up to 90 days beyond the date on which a Cash-Out Notice is given if such notice is given beyond the Maturity Date, whichever is later, without such continuation constituting an Event of Default.

(d) **Prepayment.** Prepayment of all or any portion of this Note is permitted at any time by the Fund without premium or penalty. Note Holder may also request a repayment of Note prior to maturity, subject to the Early Repayment Fee, which is a penalty equal to the amount of interest paid under the original Note Rate and the amount of interest that would have been paid had the Note Rate been set based on the shorter Note Term, as determined by the Fund in its sole discretion, and a fee of 5% of the original Principal balance. The granting of any repayment request hereunder shall be subject to the sole discretion of the Manager.

(e) **Rollover of Interest, or Reinvestment Option.** Note Holder may elect to apply interest payable on this Note to increase the Principal of Note Holder's Note, except that the Manager may override such election, in the Manager's sole discretion. If the Manager overrides such election, Manager shall make interest payments under the terms of this Note.

1.4 **Security; Credit Facilities.**

(a) The Fund may choose from time to time to borrow money from one or more lenders (a "Credit Facility" or "Facility") and utilize one or more Fund Assets as collateral for any such borrowing.

The Operating Agreement grants the Manager significant latitude and discretion in its ability to use Credit Facilities in the operation of the Fund. However, the Operating Agreement also places specific limitations on the use of Credit Facilities by the Manager, namely:

- The Fund will not provide any Facility with a first lien position on any existing Fund Assets already encumbered by Note Holder interests for the specific purpose of acquiring cash to accommodate Member Redemption requests;
- The Fund will not utilize a Facility in an amount in excess of fifty percent (50%) of the Stated Value of any Fund Asset at the time of procurement of that debt.

(b) **Note Security.** The Security for this Note is a pro-rated interest in the Note Holder's collective first lien interest on the Fund's Assets, except in the case of specific Assets being pledged to a Credit Facility as applicable. The Note Holder acknowledges and agrees that the Note and all related Documents are subject to and subordinate to any Credit

Facilities. All Security and filings granted and made under this Note shall be held in the name of the Representative, who shall initially be the Manager. The Manager shall also have the sole discretion to appoint all successor Representatives. Such Representative or Representatives shall receive and keep record of quarterly updates and reports from the Fund, and such reports shall be available to the Note Holder from the Representative or Representatives.

(c) **No Assignment.** The Assets of the Fund shall NOT be assigned to any Note Holder or to any Representative, but shall remain in the name of the Fund. The Fund shall retain full rights in its Assets and may, without notice to or consent of Note Holder or any Representative, agree to the modification, waiver, or release of any provisions of any agreement, lien, deed of trust, mortgage, or any other Asset, consent to any action or failure to act by any obligor on any Asset, and exercise or refrain from exercising any power or right which the Fund may have under or with respect to any Asset. The Fund may manage, operate, or sell any Asset, all as exercised in the Manager's sole discretion. Without limiting the foregoing, the Fund shall have the right, without notice to or consent from the Note Holder or any Representative, to grant any extension of time or forbearance for the performance of any obligation or condition under any Asset, which if not performed, would otherwise constitute a default or event of default under the loan or transaction documents pertaining to the Asset.

(d) **Document Execution.** In order for this Note to be effective, the Note Holder shall execute the Documents as required by the Manager.

2. **Other Matters.**

2.1 **Event of Default; Remedies.**

(a) **Event of Default.** For the purposes of this Note, "Event of Default" shall mean the Fund's failure to pay the Note Rate interest when due (including any applicable grace or cure period), or to perform or be in compliance with any of its obligations under this Note, and such Event of Default continues for more than ninety (90) days following written notice to the Manager of the default.

(b) **Note Holder's Rights and Remedies Upon Event of Default.**

- **General Remedies.** Upon the occurrence of an Event of Default that remains uncured after ninety (90) days' notice of default, the Note Holder may declare all obligations secured hereby immediately due and payable without notice, protest, presentment, or demand, all of which are hereby expressly waived by Fund, and may proceed to enforce payment of same and exercise any and all of the rights and remedies provided by the UCC as well as all other rights and remedies at law or in equity possessed by the Note Holder.
- **No Election of Remedies.** The election by the Note Holder of any right or remedy will not prevent the Note Holder from exercising any other right or remedy against Fund.
- **Sale of Security.** Any item of Security may be sold for cash or other value at public or private sale in accordance with the UCC, and the proceeds thereof collected. The Fund agrees to promptly execute and deliver, or cause to be executed and delivered, such instruments, documents, assignments, waivers, certificates, and affidavits, and to promptly supply, or cause to be supplied, such

further information and to take such further action as required in connection with any such sale.

2.2 **Assignment.** This Note shall not be assigned by the Note Holder without the prior written consent of the Fund. Any purported assignment of this Note in violation of this section is null and void and shall be of no effect.

2.3 **Expenses and Attorneys' Fees.** Each party shall pay its own costs and expenses incurred in connection with the negotiation, execution, delivery, and performance of this Note. Each party in any suit, action, or appeal filed or held concerning this Note shall be responsible for its own attorneys' fees and shall not be responsible for the attorneys' fees of any other party.

2.4 **Extension.** The term of this Note may be extended by the written consent of the Note Holder and the Fund, on the same terms and at the same Note Rate.

2.5 **Amendment.** This Note may be amended by the written consent of the Representative on behalf of the Note Holder, in accordance with the terms of the Intercreditor Agreement and the Fund.

2.6 **Governing Law.** This Note is governed and construed according to Delaware law. The exclusive venue for all disputes arising out of or relating to this Agreement shall be the federal or state courts located in Tarrant County, Texas. The Note Holder irrevocably consents to the exercise of personal jurisdiction over him, her, or it by such courts for purposes of resolving such disputes.

2.7 **Notice.** All notices or other communications required or permitted by this Note must be in writing; must be delivered to the Fund and the Manager at the addresses set forth below, or any other address that a party may designate by notice to the other parties; and are considered delivered upon (i) actual receipt if delivered personally, (ii) one day after deposit with a nationally recognized overnight delivery service, or (iii) at the end of the third business day after the date of deposit in the United States mail, postage prepaid, certified, return receipt requested.

To Fund: Colonial Impact Fund-II, LLC
520 Silicon Drive, Suite 110
Southlake, TX 76092-2001

with a copy to: Ater Wynne LLP
Attention: Wallace A. Glausi
1331 NW Lovejoy #900
Portland, OR 97209

To Manager: Colonial Capital Management LLC
520 Silicon Drive, Suite 110
Southlake, TX 76092-2001

with a copy to: Ater Wynne LLP
Attention: Wallace A. Glausi
1331 NW Lovejoy #900
Portland, OR 97209

IN WITNESS WHEREOF, the undersigned have executed this Promissory Note.

COLONIAL IMPACT FUND-II, LLC

By: Colonial Capital Management LLC, its Manager

By: _____

Date: _____, 20____

INTERCREDITOR SECURITY AGREEMENT

This Intercreditor Security Agreement, dated as of _____, 2015, is by and between Colonial Impact Fund-II, LLC, a Delaware limited liability company (the "Fund"), and Colonial Capital Management LLC, a Texas limited liability company ("CCM") as Representative or its successor thereto, and the undersigned ("Note Holder").

Recitals

- A.** Pursuant to the terms and conditions of the Offering of the Fund, Notes will be issued to Accredited Investors in exchange for cash investments. The Notes are secured by the Fund's Assets.
- B.** Pursuant to the terms and conditions provided for in the Subscription Agreement, each Note Holder, along with each other Note Holder, shall designate a Representative, which shall initially be CCM and subsequently any of CCM's successors thereto, as its sole representative, and each Note Holder furthermore agrees and acknowledges that the Representative shall enter into an agreement with the Fund providing for the orderly prosecution of any enforcement or foreclosure action with respect to the Notes.
- C.** The parties wish to describe the relative rights of Representative with respect to the Notes.
- D.** All capitalized terms in this Intercreditor Security Agreement not defined herein have the meanings given to them in the Confidential Private Placement Memorandum dated January 20, 2015 (together with any amendments and supplements thereto, the "PPM"), the Note, or the Subscription Agreement. This Intercreditor Security Agreement and the Documents, each and all, form the necessary documents for a purchase of the Notes. The Note Holder shall execute each and every Document required by the Manager to effect a purchase of the Notes.

Agreement

Now, therefore, for and in consideration of the mutual covenants contained in this Agreement, the undersigned hereby agree as follows:

- 1. Pari Passu Interests.** The Fund, the Representative, and the Note Holder acknowledge and agree that the respective interests of each Note Holder in and to any payments made by the Fund in respect of the Notes, the Security, and any collections in connection with the foreclosure of such Security shall be Pari Passu and no Note Holder shall have any priority over the other; provided further, that any such payments, Security, and/or collections received by any Note Holder, other than such payments, Security, and collections that are received by all Note Holders on a Pari Passu basis, shall be paid by such Note Holder to the Representative, to be held in trust for the benefit of all Note Holders.
- 2. Designation of Representative as Sole Representative.** The Fund and the Representative acknowledge that the Note Holders have designated the Representative as the sole representative of all Note Holders, and furthermore, that the Note Holders have granted to the Representative a Power of Attorney, and the authority to control the orderly prosecution of any enforcement action with respect to any Notes or foreclosure of the Security for which each of the Note Holders receives a Pari Passu interest. As described below, the Note Holder hereby appoints Representative as its agent, representative, and attorney-in-fact, with the exclusive right to manage, perform, and enforce the terms of the Notes to the extent that

such Note Holder has the right to do so, and to exercise and enforce all privileges and rights exercisable and enforceable thereunder, for the joint benefit of the Note Holders. Neither the Representative nor any of its directors, officers, or employees shall be liable for any action taken or omitted to be taken by it under or in connection with the Notes, except for its own willful misconduct. The Representative may resign as sole representative of all the Note Holders at any time by delivering 90 days' written notice to the Note Holders. In the event that the Representative ceases to serve as representative for all the Note Holders, CCM may designate a new Representative.

3. Power of Attorney. Note Holder hereby makes, constitutes, and appoints the Representative, and any successor Representative, as determined by the Manager, as its true and lawful representative and attorney-in-fact in such Note Holder's name, place, and stead to make, execute, sign, acknowledge, file, and record with respect to the Note:

(a) all instruments which the Representative deems appropriate to reflect any amendment, change, or modification of the Note or the Security in accordance with the terms of this Agreement;

(b) such agreements, instruments, or documents as may be necessary or advisable to reflect the exercise by the Representative of any of the powers granted to it under this Agreement, including without limitation, any subordination agreement required to be executed for the benefit of any Credit Facility;

(c) all such other instruments, documents, and certificates which may from time to time be required by the laws of the State of Delaware, the United States of America, or any other jurisdiction in which the Fund shall determine to do business, or any political subdivision or agency thereof, to effectuate, implement, continue, and defend the valid and subsisting existence of the Note and the Security; and

(d) all applications, certificates, certifications, reports, or similar instruments or documents required to be submitted by or on behalf of the Fund to any governmental or administrative agency or body, or to any securities or commodities exchange, board of trade, clearing corporation, or association or similar institution or to any other self-regulatory organization or trade association.

The Note Holder authorizes the Representative to take any further action which the Representative shall consider necessary or advisable in connection with any of the foregoing, hereby giving the Representative full power and authority to do and perform each and every act or thing whatsoever requisite to be done in and about the foregoing as fully as such Note Holder might or could do if personally present, and hereby ratifying and confirming all that the Representative shall lawfully do or cause to be done by virtue hereof; provided, however, that the Representative shall not have any right, power, or authority to amend or modify this Agreement when acting in such capacity except as set forth herein. The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive the death of a Note Holder and extend to the Note Holder's heirs, legal representatives, successors, and assigns. The Note Holder hereby agrees to be bound by any representation made by the Representative acting in good faith pursuant to such power of attorney, and the Note Holder hereby waives any and all defenses which may be available to contest, negate, or disaffirm the action of the Representative taken in good faith pursuant to such power of attorney.

4. Specific Enforcement. As sole Representative of all Note Holders, CCM or its successor shall be the only party to take any enforcement or setoff action with respect to the

Notes, foreclose, or take any other action to realize upon the Note or the Security, institute any action or proceeding to collect or enforce the Note, commence or cause to be commenced any bankruptcy or similar proceeding against the Fund, or commence or exercise any other right or remedy against the Fund or under any document related to the Notes or under applicable law. Pursuant to the terms and conditions of the Offering, each Note Holder defers to the Representative to make all decisions regarding any action concerning the Notes.

5. Note Holder Security.

5.1 Grant and Definition. As Security for the due and timely performance and payment of Fund's obligations to the Note Holders under the Notes, the Fund hereby grants to the Note Holders a security interest in all Fund Assets, whether presently owned or hereafter acquired, including without implied limitation, all real property, equipment, fixtures, tenant improvements, deposits, deposit accounts, accounts receivable, shares, units, membership and partnership interests, contract rights, securities, mortgages, notes, trust deeds, beneficial interests, instruments, and any and all assignments of the same, and intellectual property (including, but not limited to, patents, patent applications, copyrights, trademarks, trade names, and goodwill), together with all replacements thereof or substitutions therefore, and all proceeds thereof (the "Security"). The term Security specifically excludes any Borrower money or Borrower funds on account, or Borrower assets in trust held by the Fund or by the Manager.

5.2 Note Security. Note Holder acknowledges that the Note is part of a group of Notes offered by the Fund. The Note will be secured against the Assets of the Fund Pari Passu with the other Notes offered by the Fund as part of the Offering, but subject to any Credit Facilities, as described herein.

5.3 Representative. The Note Holder further acknowledges that all Security and filings granted and made under the Note shall be held, pursuant to this Intercreditor Security Agreement, in the name of the Representative, who shall initially be the Manager. The Manager shall have the sole discretion to appoint a successor Representative or Representatives. Such Representative or Representatives shall receive and keep record of quarterly updates and reports from the Fund, and such reports shall be available to the Note Holder from the Representative.

5.4 Perfection. The Note Holder hereby authorizes the Fund, through the designated Representative, to file any UCC financing statements, and any amendment or modifications thereto or continuations thereof, and to file any other instrument or document, and take any other action the Representative deems necessary or appropriate to perfect or protect the Security created under this Agreement.

5.5 No Assignment. The Assets of the Fund shall NOT be assigned to any Note Holder or to any Representative, but shall remain in the name of the Fund. The Fund shall retain full rights in its Assets and may, without notice to or consent of Note Holder or any Representative, agree to the modification, waiver, or release of any provisions of any agreement, lien, deed of trust, mortgage, or any other Asset, consent to any action or failure to act by any obligor on any Asset, and exercise or refrain from exercising any power or right which the Fund may have under or with respect to any Asset. The Fund may manage, operate, or sell any Asset, all as exercised in the Manager's sole discretion. Without limiting the foregoing, the Fund shall have the right, without notice to or consent from the Note Holder or any Representative, to grant any extension of time or forbearance for the performance of any obligation or condition under any Asset, which if not performed, would otherwise constitute a default or event of default under the loan or transaction documents pertaining to the Asset.

5.6 Subordination; Acknowledgement of Credit Facility. The Note Holder acknowledges and agrees that the Note and all related Documents are subject to and subordinate to any Credit Facilities. The Note Holder's Security will be senior to all other creditors except for liens granted for any Credit Facility. Representative will execute subordination agreements in a form reasonably acceptable to the Manager prepared by the sources of such Credit Facilities, if requested or required to do so by such source of Credit Facility. The Fund will not provide any Facility with a first lien position on any existing Fund Assets already encumbered by Note Holder interests for the specific purpose of acquiring cash to accommodate Member Redemption Requests.

5.7 Cash Flow Distribution ("Waterfall"). As Fund income is received, the Waterfall is as follows:

- (a) Interest and principal payments on any Credit Facility (depending on what collateral is pledged to a particular facility);
- (b) Fund Expenses;
- (c) Manager annualized 2% Management Fee (paid monthly) on total AUM as of the last calendar day of each month, and any other fees due the Manager;
- (d) Manager Acquisition and/or Disposition fees, as earned;
- (e) Note Holder interest, payable quarterly;
- (f) Repayment of maturing Notes, if any;
- (g) Preferred Return to Members, payable quarterly;
- (h) Any available EDC, as determined by the Manager, to be split 50/50 between the Members and the Manager respectively at the end of each quarter.

6. All Note Holders Treated Equally. Notwithstanding the order of filing of any financing statement, or the perfection or non-perfection of any Security, respective interests of each Note Holder in and to the Security and any collections in connection with the foreclosure of such Security shall be Pari Passu and no Note Holder shall have any priority over the other.

7. No Obligation to Take Action. Except for action expressly required to be taken by Representative hereunder and under the terms and conditions of the Subscription Agreement, Representative shall be entitled to refrain from taking any action hereunder unless Representative shall be indemnified by all Note Holders to Representative's satisfaction from any and all liability and expense it may incur by reason of taking such action. If Representative declines to take action hereunder, the Note Holders may designate a new sole representative by a majority vote of the Note Holders and such new sole representative shall have the same authority to act on behalf of the Note Holders as granted to Representative hereunder.

8. Third Party Beneficiaries. The Fund and Representative acknowledge and agree that each Note Holder is a third party beneficiary under this Agreement, and that each Note Holder may enforce any and all rights arising under this Agreement. Each Note Holder has agreed to be bound by the terms and conditions to this Agreement pursuant to execution of the Subscription Agreement.

9. Reimbursement. Representative shall be reimbursed by the Note Holders for all reasonable expenses incurred on behalf of the Note Holders in connection with any enforcement action.

10. Other Matters.

10.1 Amendments. This Intercreditor Security Agreement and any Notes subject to hereto may be amended or modified only in writing signed by the Manager of the Fund on behalf of the Fund and the Representative on behalf of the Note Holders, provided Note Holders holding at least a majority of the outstanding principal of the Notes have consented.

10.2 Assignment. This Intercreditor Security Agreement shall not be assignable by the Note Holder without the prior written consent of the Fund. Any purported assignment of this Subscription Agreement in violation of this section is null and void and shall be of no effect.

10.3 Counterparts; Facsimile. This Intercreditor Security Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute but one document. Delivery of an executed signature page to this Intercreditor Security Agreement and any of the other agreements, documents, and instruments contemplated hereby, by facsimile transmission shall be as effective as delivery of a manually signed counterpart or thereof.

10.4 Expenses and Attorneys' Fees. Each party shall pay its own costs and expenses incurred in connection with the negotiation, execution, delivery, and performance of this Intercreditor Security Agreement. Each party in any suit, action, or appeal filed or held concerning this Intercreditor Security Agreement shall be responsible for its own attorneys' fees and shall not be responsible for the attorneys' fees of any other party.

10.5 Additional Documents and Acts. Each of the parties shall promptly execute and deliver such additional documents and shall do such acts that are reasonably necessary in connection with the performance of their respective obligations hereunder to carry out the intent of this Intercreditor Security Agreement.

10.6 Governing Law. This Intercreditor Security Agreement shall be governed and construed according to Delaware law. The exclusive venue for all disputes arising out of or relating to this Agreement shall be the federal or state courts located in Tarrant County, Texas. The Note Holder irrevocably consents to the exercise of personal jurisdiction over him, her or it by such courts for purposes of resolving such disputes.

10.7 Notices. All notices or other communications required or permitted by this Intercreditor Security Agreement must be in writing; must be delivered to the Fund and the Manager at the addresses set forth below, or any other address that a party may designate by notice to the other parties; and are considered delivered upon (i) actual receipt if delivered personally, (ii) one day after deposit with a nationally recognized overnight delivery service, or (iii) at the end of the third business day after the date of deposit in the United States mail, postage prepaid, certified, return receipt requested.

To Fund: Colonial Impact Fund-II, LLC
520 Silicon Drive, Suite 110
Southlake, TX 76092-2001

with a copy to: Ater Wynne LLP
Attention: Wallace A. Glausi
1331 NW Lovejoy #900
Portland, OR 97209

To Manager: Colonial Capital Management LLC
520 Silicon Drive, Suite 110
Southlake, TX 76092-2001

with a copy to: Ater Wynne LLP
Attention: Wallace A. Glausi
1331 NW Lovejoy #900
Portland, OR 97209

To Note Holder: At the address set forth on the Subscription Agreement signature page executed by Note Holder.

10.8 Non-Waiver. A waiver of one or more breaches of any clause of this Intercreditor Security Agreement shall not act to waive any other breach, whether of the same or different causes.

10.9 Severability. Each clause of this Intercreditor Security Agreement is severable. If any clause is ruled void or unenforceable, then the balance of this Subscription Agreement shall nonetheless remain in effect.

10.10 Term. Unless otherwise agreed to in writing by the parties, this Intercreditor Security Agreement shall remain in full force and effect and shall not terminate.

* * * * *

(Signatures appear on the following page)

IN WITNESS WHEREOF, the parties have executed this Intercreditor Security Agreement as of the date first above written.

Fund:

COLONIAL IMPACT FUND-II, LLC

By: Colonial Capital Management LLC, its Manager

By: _____

Date: _____, 20____

Representative:

Colonial Capital Management LLC

By: _____

Date: _____, 20____

Note Holder:

By: _____
(Signature of Note Holder or Person
Signing for Note Holder that is an Entity)

Printed Name

Title (If applicable)

Date



COLONIAL IMPACT FUND-II, LLC SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement" or the "Subscription Agreement") is between Colonial Impact Fund-II, LLC, a Delaware limited liability company ("the "Fund"), and the undersigned (referred to herein as "you," except that in the case of a subscription for the account of one or more trusts or other entities, "you" will refer to the trustee, fiduciary, or representative making the investment decision and executing this Agreement, of the trust or other entity, or both, as appropriate). The Fund and you hereby agree as follows:

1. Definitions

All capitalized terms in this Subscription Agreement have the meanings given to them in the Confidential Private Placement Memorandum dated January 20, 2015 (together with any amendments and supplements thereto, the "PPM"), the Note, or the Intercreditor Security Agreement. This Subscription Agreement and the Documents, each and all, form the necessary documents for a purchase of the Notes. The Note Holder shall execute all Documents required by the Manager to effect a purchase of the Notes.

2. Purchase and Consideration

The Note Holder hereby contracts to purchase a Note or Notes in the Principal amount set forth on Note Holder's signature page attached hereto. By signing this Subscription Agreement, the Note Holder agrees to be bound by the terms and conditions of the Note as set forth therein. Each Subscription Agreement between the Fund and each respective Note Holder is a separate agreement, and the sale of each Note to each Note Holder is a separate sale.

3. Closing Procedures

3.1 Tender; Acceptance. Note Holder shall tender Note Holder's signed Documents to the Fund for acceptance by the Manager of the Fund, in the Manager's sole discretion. The Fund will hold the tendered documents and consideration pending the Fund's review of such documents and acceptance of Note Holder as a Note Holder in the Offering. If the Fund does not accept the tender, then the Fund will so inform the Note Holder, and return Note Holder's funds.

3.2 Closing of Note Purchases. Closing of purchases of the Notes shall occur upon acceptance of this Subscription Agreement by the Manager of the Fund, in its sole discretion, with the close of each such sale being referred to as a Closing.

3.3 Conditions to Closing. Proceeds will be considered delivered to the Fund only upon your delivery of any other Documents requested or required by the Manager and the Fund's (i) acceptance of this Agreement by its countersignature on the signature page, and (ii) having deposited in the U.S. Mail or overnight delivery service, the following items for delivery to Note Holder:

- (a) A signed original Note executed by the Fund, as applicable; and
- (b) A copy of this Subscription Agreement fully executed by the Fund as to the Note Holder.

The Fund will deliver copies of the Note Holder's fully executed Documents to each Note Holder promptly upon the Closing of such Note Holder's purchase of a Note.

4. Termination of Offering. The Offering shall terminate on the date selected by the Manager in its sole discretion.

5. Minimum Investment. Each Note Holder must purchase a Note with a minimum Principal amount of \$100,000 unless a waiver, signed by the Manager, in its sole discretion, is provided.

6. Representations of the Fund. The Fund represents and warrants to each Note Holder as set forth below in this Section 6. All such representations and warranties to each Note Holder are as of the date of the applicable Closing as to such Note Holder, except as otherwise indicated:

6.1 Corporate Existence and Power. The Fund is a limited liability company duly organized and validly existing under the laws of the State of Delaware; and the Fund has full corporate power and authority to transact the business in which it is engaged and full power, authority, and legal right to enter into this Agreement and to incur and perform its obligations hereunder.

6.2 Authority, No Contravention, Valid Issuance. The making and performance by the Fund of this Agreement, and the issuance of the Notes (i) have been duly authorized, (ii) and to the Fund's and the Manager's actual, current knowledge do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency, or any provision of the Fund's Certificate of Formation, as may be amended and/or restated, or Operating Agreement, as may be amended or restated, and, (iii) except for the terms and provisions of any senior Credit Facility, do not and will not result in the breach of, or constitute a default or require any consent under (except to the extent such consent has been received), or result in the creation of any lien upon any properties or assets of the Fund pursuant to any other indenture, bank, or other credit agreement, mortgage or other agreement or instrument to which the Fund is a party, or by which it or any of its properties may be bound or affected.

6.3 Binding Obligations. This Agreement has been duly executed and delivered by the Fund and constitutes the legal, valid, and binding obligation of the Fund, enforceable in accordance with its terms (subject to limitations as to enforceability which might result from bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally).

6.4 Approvals. To the Fund's actual and current knowledge, no authorization, consent, license, or approval of, or filing (except for filings with the appropriate office of states as may be required by securities laws of the Note Holder's state of residence, or with the SEC if and as required by federal securities laws) or registration with, or notification to, any governmental body or regulatory or supervisory authority is required for the execution, delivery, or performance by the Fund of this Agreement.

7. Event of Default; Remedies. Events of Default under the Note and the remedies therefore are described in the Note.

8. Representations of Note Holders. Each Note Holder for him, her, or itself represents and warrants as follows:

8.1 Authority to Execute Agreement. Note Holder has full power and authority and legal right to make this Subscription Agreement and to incur and perform Note Holder's obligations hereunder, and the performance by the Note Holder of this Subscription Agreement has been duly authorized by all necessary action of the Note Holder.

8.2 Purchase Entirely for Own Account. Note Holder is purchasing the Notes solely for Note Holder's own account for investment and not with a view to or for sale or distribution, and not with any present intention of selling, offering to sell, or otherwise disposing of or distributing the Notes, as the case may be, in any transaction other than a transaction complying with the registration requirements of the Securities Act or pursuant to an exemption therefrom. Note Holder also represents that the entire legal and beneficial interest of the Notes, as the case may be, is being purchased by Note Holder for Note Holder's account and is purchased neither in whole nor in part for any other person or entity.

8.3 Accredited Investor. Note Holder has completed a Suitability Statement to document Note Holder's status as an Accredited Investor or "Non-Resident Alien," as applicable. All information provided by Note Holder in the Documents, including such Suitability Statement is complete and accurate. Note Holder is aware that Fund is relying upon the accuracy of that information in issuing a Note or Notes to the Note Holder. Note Holder also agrees to submit such additional materials, including without limitation, financial statements, as the Fund reasonably requests to further confirm the information contained in this section.

8.4 Access to Information. Note Holder has had the opportunity to fully investigate the investment Note Holder is making in the Notes, including, without implied limitation (i) the opportunity to discuss the Fund's business and financial condition, properties, operations, and prospects with the Fund's management and (ii) ask questions of principals of the Manager of the Fund, which questions, if any, were answered to Note Holder's satisfaction. Note Holder represents that he, she, or it has reviewed the Documents prepared by the Fund and has asked such questions as Note Holder may have concerning the Documents and received satisfactory answers to all such questions, if any, and has not relied on any matters outside those described in the Documents in making Note Holder's decision to purchase a Note or Notes. Note Holder also confirms his, her, or its understanding that (i) all projections of future performance by the Fund and representations or forward-looking statements concerning future performance by the Fund contained in the Documents generally, and in the PPM specifically, are based on the Manager's good faith projections or belief, and do not represent commitments or warranties of any particular performance by the Fund, (ii) that no particular performance by the Fund can be assured, and (iii) that all such forward-looking statements must be regarded as highly speculative and uncertain.

8.5 Investment Experience; Ability to Sustain Loss. Note Holder has carefully reviewed this Subscription Agreement, the PPM, and the other Documents, is experienced in investments comparable to those of the Fund, is able to fend for her, him, or itself, and has such knowledge and experience in financial or business matters that he, she, or it is capable of evaluating the merits and risks of the investment in the Notes. Note Holder understands the risks associated with purchasing the Notes in particular. Note Holder is able to sustain the loss of Note Holder's entire investment of Principal in the Notes. If Note Holder is a legal entity, then Note Holder has not been organized for the purpose of purchasing or otherwise acquiring the Notes.

8.6 Understanding of Risks. Note Holder confirms his, her, or its understanding that the Fund and its proposed transactions are subject to all the risks inherent in transactions involving the Fund's business, investment objectives, multiple parties, and lenders. Note Holder has read and reviewed the Documents, including the PPM, with such of Note Holder's attorneys, advisors, and agents as Note Holder has deemed necessary to make an informed decision about the purchase of the Notes.

8.7 Authorization. The execution, delivery, and performance of this Subscription Agreement by Note Holder (i) does not require the consent, approval, or authorization of any governmental or regulatory authority, and (ii) will not violate any applicable law, judgment, order, injunction, decree, rule, regulation, or ruling of any governmental authority applicable to Note Holder.

8.8 Restricted Securities. Note Holder understands that the Notes have not been registered under the Securities Act, in reliance upon an exemption from registration. Such exemption depends upon, among other things, the good faith nature of Note Holder's investment intent stated in this Subscription Agreement and Note Holder's qualified status as an Accredited Investor or "Non-Resident Alien" as described in Section 8.3 above. Note Holder understands that the Notes must be held by the Note Holder and not transferred, unless the Fund consents in writing, or unless the Notes are subsequently registered under the Securities Act, or unless an exemption from registration is otherwise available. Note Holder understands that the Fund is not obligated to register the Notes. Note Holder also understands that the Notes may not be offered, sold, transferred, pledged, or otherwise disposed of in the absence of an effective registration statement under the Securities Act and applicable state securities laws or an opinion of counsel acceptable to the Fund that such registration is not required, or the written consent of the Fund is given, which consent may be withheld for any reason by the Fund.

8.9 Anti-Money Laundering. Note Holder is not a person, government, country, or entity: (i) that is listed in the Annex to, or is otherwise subject to the provisions of, United States Executive Order 13224, as issued on September 24, 2001 ("EO 13224") which list is published at <http://www.treasury.gov/terrorism.html>; (ii) whose name appears on the most current U.S. Office of Foreign Assets Control ("OFAC") list of "Specifically Designated Nationals and Blocked Persons" (which list is published on the OFAC website, <http://www.treas.gov/ofac>); (iii) who commits, threatens to commit, or supports "terrorism" as that term is defined in EO 13224; or (iv) who is otherwise affiliated with any person, government, country, or entity listed above. Any funds used by the Note Holder to invest in the Fund were not, directly or indirectly, derived from activities that may contravene U.S. federal and/or state laws and regulations, including anti-money laundering laws or that may contravene the anti-money laundering laws of any other jurisdiction.

9. Covenants. The following covenants last for so long as each Note Holder holds any Notes:

9.1 Compliance with Laws. The Fund will comply with the requirements of all applicable laws, rules, regulations, and orders of any governmental authority, except where contested in good faith and by proper proceedings.

9.2 Taxes.

(a) The Fund. The Fund will pay and discharge all taxes, assessments, and governmental charges or levies imposed upon the Fund or upon its income or profits or upon any property belonging to it, prior to the date on which penalties attach thereto, and all lawful

claims which, if unpaid, might become a lien upon its property, provided that it shall not be required to pay any such tax assessment, charge, levy, or claim the payment of which is being contested in good faith and by proper proceedings and in respect of which it is maintaining adequate reserves.

(b) Note Holder. Note Holder has read the Documents, understands the tax aspects and risks associated with the purchase of the Notes, and agrees that the Note Holder shall be solely and entirely responsible for any and all tax payments, tax obligations, fees, and assessments, along with all reporting of Note Holder's tax consequences, as a result of the purchase of, and any income from, the Notes. The Fund shall have no obligation, responsibility, or liability to the Note Holder in connection with the payment or remittance of any taxes or tax filings required to be made by the Note Holder.

10. Restrictions on Transfer of Notes

10.1 Restrictions. In addition to any other restrictions on transfer imposed by applicable federal or state securities laws, no Note Holder may transfer any interest in any of the Notes except as provided in this Section 10. Note Holder understands that the Notes may not be offered, sold, transferred, pledged, or otherwise disposed of unless: (i) the Fund files an effective registration statement for the Notes under the Securities Act and applicable state securities laws, or (ii) the written consent of the Fund is given, which consent may be withheld for any reason by the Fund, and the Fund receives an opinion of counsel acceptable to the Fund that registration is not required for such Transfer.

10.2 Obligations Binding Upon Transferees. Any permitted transferee of Notes or any interest therein will receive and hold such Notes or interests subject to the provisions of this Section 10. Any such transferee shall agree in writing that the transferee shall hold the Notes subject to the provisions of this Section 10 and that no further transfers shall be made except as provided in this Section 10.

10.3 Purported Transfers in Violation. Any purported transfer of Notes in violation of the provisions of this Section 10 is null and void and shall be of no effect. The purported transferee shall have no interest in any of the Notes purported to be transferred. Each Note Holder agrees that in the event of a purported transfer of Notes in violation of the provisions of this Section 10, the Fund may enforce the provisions of this Section 10 by specific performance or other injunctive relief, in addition to any of the remedies available at law or in equity.

11. Other Matters

11.1 Amendments. This Subscription Agreement may be amended or modified only in writing signed by the Note Holder and the Manager of the Fund on behalf of the Fund.

11.2 Assignment. This Subscription Agreement shall not be assigned by the Note Holder without the prior written consent of the Fund. Any purported assignment of this Subscription Agreement in violation of this Agreement is null and void and shall be of no effect.

11.3 Counterparts; Facsimile. This Subscription Agreement may be executed in counterparts, each of which shall be an original, and all of which shall constitute but one document. Delivery of an executed signature page to this Subscription Agreement and any of the other agreements, Documents, and instruments contemplated hereby, by facsimile transmission shall be as effective as delivery of a manually signed counterpart or thereof.

11.4 Expenses and Attorneys' Fees. Each party shall pay its own costs and expenses incurred in connection with the negotiation, execution, delivery, and performance of this Subscription Agreement. Each party in any suit, action, or appeal filed or held concerning this Subscription Agreement shall be responsible for its own attorneys' fees and shall not be responsible for the attorneys' fees of any other party.

11.5 Additional Information. Each of the parties shall promptly execute and deliver such additional documents and shall do such acts that are reasonably necessary in connection with the performance of their respective obligations hereunder to carry out the intent of this Subscription Agreement.

11.6 Governing Law. This Subscription Agreement shall be governed and construed according to Delaware Law. The exclusive venue for all disputes arising out of or relating to this Agreement shall be the federal or state courts located in Tarrant County, Texas. The Note Holder irrevocably consents to the exercise of personal jurisdiction over him, her, or it by such courts for purposes of resolving such disputes.

11.7 Confidentiality. The Note Holder acknowledges that the information provided to it regarding the Fund is confidential and nonpublic. The Note Holder agrees that all of the information will be kept in confidence and will be neither used to its personal benefit (other than in connection with its subscription for the Notes) nor disclosed to any third party. This obligation does not apply to any such information which (a) is part of public knowledge or is readily accessible as literature at the date of this Subscription Agreement, (b) becomes part of public knowledge or literature and, thus, becomes readily accessible by publication (except as a result of a breach of this provision), or (c) is received from third parties (except third parties who disclose it in violation of any confidentiality agreement they may have with the Fund).

11.8 Notices. All notices or other communications required or permitted by this Subscription Agreement must be in writing; must be delivered to the Fund and the Manager at the addresses set forth below, or any other address that a party may designate by notice to the other parties; and are considered delivered upon (i) actual receipt if delivered personally, (ii) one day after deposit with a nationally recognized overnight delivery service, or (iii) at the end of the third business day after the date of deposit in the United States mail, postage pre-paid, certified, return receipt requested.

To Fund: Colonial Impact Fund-II, LLC
520 Silicon Drive, Suite 110
Southlake, TX 76092-2001

with a copy to: Ater Wynne LLP
Attention: Wallace A. Glausi
1331 NW Lovejoy #900
Portland, OR 97209

To Manager: Colonial Capital Management LLC
520 Silicon Drive, Suite 110
Southlake, TX 76092-2001

with a copy to: Ater Wynne LLP
Attention: Wallace A. Glausi
1331 NW Lovejoy #900
Portland, OR 97209

11.9 Non-Waiver. A waiver of one or more breaches of any clause of this Subscription Agreement shall not act to waive any other breach, whether of the same or different causes.

11.10 Severability. Each clause of this Subscription Agreement is severable. If any clause is ruled void or unenforceable, then the balance of this Subscription Agreement shall nonetheless remain in effect.

11.11 Term. Unless otherwise agreed to in writing by the parties, this Subscription Agreement shall remain in full force and effect and shall not terminate.

12. Suitability Statements

FOR INDIVIDUALS

INITIAL TO INDICATE IF THE STATEMENT IS TRUE OR FALSE, OR COMPLETE THE STATEMENT, AS APPROPRIATE.

Verification of Status as "Accredited Investor" under Regulation D.

- 1. You are a natural person (individual) whose own net worth, taken together with the net worth of your spouse, exceeds \$1,000,000. Net worth for this purpose means total assets (excluding your primary residence¹) in excess of total liabilities.
 True False

- 2. You are a natural person (individual) who had an individual income in excess of \$200,000 in each of the two previous years, or joint income with your spouse in excess of \$300,000 in each of those years, and who reasonably expects to reach the same income level in the current year.
 True False

- 3. You are an executive officer of the Fund or a manager or executive officer of the Manager of the Fund.
 True False

- 4. You have such knowledge and experience in financial and business matters that you are capable of evaluating the merits and risks of investing in the Units.
 True False

Disclosure of Foreign Citizenship.

- 1. You are not a citizen of the United States.
 True False

If the answer to the preceding question is true, specify the country of which you are a citizen:

¹ For purposes of this question, "excluding your personal residence" means:

(A) Your primary residence shall not be included as an asset;

(B) Indebtedness that is secured by your primary residence, up to the estimated fair market value of your primary residence at the time of your subscription, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of your subscription exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of your primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by your primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability.



FOR ENTITIES OTHER THAN INDIVIDUALS

INITIAL TO INDICATE IF THE STATEMENT IS TRUE OR FALSE, OR COMPLETE THE STATEMENT, AS APPROPRIATE.

Verification of Status as "Accredited Investor" under Regulation D.

1.
 True False You are (i) a bank, or any savings and loan association or other institution acting in its individual or fiduciary capacity; (ii) a broker dealer; (iii) an insurance company; (iv) an investment company or a business development company under the Investment Company Act of 1940; (v) a Small Business Investment Company licensed by the U.S. Small Business Administration; (vi) an employee benefit plan whose investment decision is being made by a plan fiduciary, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan whose total assets are in excess of \$5,000,000 or a self-directed employee benefit plan whose investment decisions are made solely by persons that are accredited investors; or (vii) a plan established and maintained by a state of the United States, its political subdivisions, or any agency or instrumentality of a state of the United States or its political subdivisions, for the benefit of its employees that has total assets in excess of \$5,000,000.

2.
 True False You are a private business development company as defined in Section 202 (a) (22) of the Investment Advisors Act of 1940.

3.
 True False You are (i) an organization described in Section 501(c)(3) of the Internal Revenue Code, (ii) a corporation, (iii) a Massachusetts or similar business trust, or (iv) a partnership, in each case not formed for the specific purpose of acquiring the securities offered and in each case with total assets in excess of \$5,000,000.

4.
 True False You are an entity as to which all the equity owners are accredited investors (If questions 1-3 above and question 5 below have been initialed "false," then have each equity owner fill out a suitability questionnaire).

5.
 True False You are a trust, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000 and whose purchase is directed by a sophisticated person.

6.
 True False You (i) were not formed, and (ii) are not being utilized, primarily for the purpose of making an investment in the Fund (and investment in this Fund does not exceed 40% of the

aggregate capital committed to you by your partners, shareholders or others).

7.
 True False
- You are, or are acting on behalf of, (i) an employee benefit plan within the meaning of Section 3(3) of ERISA, whether or not such plan is subject to ERISA, (ii) a plan described in Section 4975(e)(1) of the Code or (iii) an entity which is deemed to hold the assets of any such employee benefit plan pursuant to 29 C.F.R. § 2510.3-101. For example, a plan which is maintained by a foreign corporation, governmental entity or church, a Keogh plan covering no common-law employees and an individual retirement account are employee benefit plans within the meaning of Section 3(3) of ERISA but generally are not subject to ERISA (collectively, "Non-ERISA Plans"). In general, a foreign or U.S. entity which is not an operating company and which is not publicly traded or registered as an investment company under the Investment Company Act and in which 25% or more of the value of any class of equity interests is held by employee pension or welfare plans (including an entity which is deemed to hold the assets of any such plan), would be deemed to hold the assets of one or more employee benefit plans pursuant to 29 C.F.R. § 2510.3-101. However, if only Non-ERISA Plans were invested in such an entity, the entity generally would not be subject to ERISA. For purposes of determining whether this 25% threshold has been met or exceeded, the value of any equity interests held by a person (other than such a plan or entity) who has discretionary authority or control with respect to the assets of the entity, or any person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliates of such person, is disregarded.
8.
 True False
- You are, or are acting on behalf of, such an employee benefit plan, that is subject to ERISA or a plan described in Section 4975(e)(1) of the Code, or are an entity deemed to hold the assets of any such plan or plans (i.e., you are subject to ERISA).
9.
 True False
- You are a U.S. pension trust or governmental plan qualified under Section 401(a) of the Code or a U.S. tax-exempt organization qualified under Section 501(c)(3) of the Code.
10.
 True False
- You are acting on behalf of an insurance company general account and any part of the general account represents interests that may be deemed to be assets of benefit plan investors under applicable law.

Disclosure of Foreign Ownership.

1. You are an entity organized under the laws of a jurisdiction
 True False other than those of the United States or any state, territory or
 possession of the United States.

2. You are a corporation of which, in the aggregate, more than
 True False one-fourth of the capital stock is owned of record or voted by
 foreign citizens, foreign entities, foreign corporations or foreign
 partnerships.

3. You are a general or limited partnership of which any general
 True False or limited partner is a foreign citizen, foreign entity, foreign
 government, foreign corporation or foreign partnership.

4. You are a representative of, or entity controlled by, any of the
 True False entities listed in items 1 through 3 above.

If you answered true to any of questions 1 through 4, what is the percentage of:

Your aggregate capital commitment that will be contributed directly or indirectly by any person or entity listed in items 1 through 4 above? %

for a pension fund, your non-U.S. beneficiaries? %

for a corporation, your direct and indirect foreign ownership %

for a trust, your foreign beneficial interest? %

for a partnership or limited liability company, your direct and indirect foreign ownership? %

**SUBSCRIPTION AGREEMENT
SIGNATURE PAGES**

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement for the acquisition of a Note to be issued by the Fund.

NOTE HOLDER NAME:

Print Note Holder's name in full exactly as it should appear on the Note

SUBSCRIPTION TERMS: Please find information from the Note Schedule which is a separate document than the Subscription Booklet.

Note and Term Tiers: _____ Note Schedule: 20_____ Q_____
(Example A1, B3 etc.)

Note Amount: US\$_____,000.00

Term: _____ Months

Note Rate: _____ % Per Annum, Paid Quarterly

Please check if you want interest rolled into Principal rather than paid out.

FORM OF PAYMENT: The total amount must equal the Principal amount of the Note.

Enclosed check for US\$_____.00.

Wire Transfer for US\$_____.00 (Please see wiring instructions)

FUND ACCEPTANCE OF NOTE HOLDER: The undersigned hereby accepts the foregoing Subscription Agreement for Colonial Impact Fund-II, LLC and, subject to delivery of payment and other documents to be delivered by the Note Holder, agrees that the Note Holder shall become a holder of the Notes effective as of the date signed by the Manager below.

* * * * *

(Signatures appear on the following page)

If Purchaser is an individual, sign below and provide the requested information:

Signature

Print Name

Social Security Number

If purchasing jointly, additional individual should sign below:

Signature

Print Name

Social Security Number

Purchaser(s) Information:

Address: _____

Mailing Address, if different: _____

Home No.: _____

Work No.: _____

Mobile No.: _____

Fax No.: _____

Email: _____

Addl Email: _____

Accepted:

COLONIAL IMPACT FUND-II, LLC

By: Colonial Capital Management LLC, as
Manager

By: _____



If Purchaser is an entity, an authorized individual signs below:

Print Name of Entity

Type of Entity

Tax Identification Number

Signature

Print Name

Title or Capacity

Entity/Trustee Information:

Address: _____

Mailing Address, if different: _____

Home No.: _____

Work No.: _____

Mobile No.: _____

Fax No.: _____

Email: _____

Addl Email: _____

Accepted:

COLONIAL IMPACT FUND-II, LLC

By: Colonial Capital Management LLC, as
Manager

By: _____

