

SUBSCRIPTION AGREEMENT
of
RUBICON MORTGAGE FUND, LLC
A California limited liability company

The undersigned purchaser (“Purchaser”) hereby subscribes to become a Member in the Fund and to purchase a Membership Interest in the Fund by investing the amount indicated below, all in accordance with the terms and conditions of this Subscription Agreement, the Third Amended and Restated Operating Agreement of Rubicon Mortgage Fund, LLC (the “Operating Agreement”), and the 4th Amended and Restated Private Placement Memorandum of Rubicon Mortgage Fund, LLC dated June 1, 2023 (the “Memorandum”). All capitalized terms used herein, but not defined herein, shall have the meanings ascribed to them in the Memorandum.

1. SUBSCRIPTION FOR MEMBERSHIP INTERESTS

AMOUNT OF INVESTMENT: \$ _____

EXACT NAME OF PURCHASER(S): _____

FORM OF OWNERSHIP: Please indicate the form of ownership in which Purchaser will hold title to the Membership Interest. Purchaser should seek the advice of an attorney in deciding because different forms of ownership can have varying gift tax, estate tax, income tax and other consequences. Check one:

- ☐ INDIVIDUAL OWNERSHIP
- ☐ COMMUNITY PROPERTY
- ☐ JOINT TENANTS WITH RIGHT OF SURVIVORSHIP
- ☐ TENANTS IN COMMON
- ☐ GENERAL PARTNERSHIP
- ☐ PARTNERSHIP
- ☐ CORPORATION
- ☐ LIMITED LIABILITY COMPANY
- ☐ TRUST
- ☐ IRA OR KEOGH PLAN
- ☐ PENSION, PROFIT SHARING PLAN OR RETIREMENT TRUST

PURCHASER(S)' ADDRESS: _____

PURCHASER(S)' PHONE NUMBER: _____

PURCHASER(S)' EMAIL: _____

PLEASE MAKE CHECK PAYABLE TO RUBICON MORTGAGE FUND, LLC, AND MAIL THIS COMPLETED AND SIGNED SUBSCRIPTION AGREEMENT AND COMPLETED AND SIGNED INVESTOR QUESTIONNAIRE TO: Rubicon Realty Advisors Inc., 3575 Mt. Diablo Boulevard, Suite 215, Lafayette, California 94549.

2. ELECTION TO RECEIVE MONTHLY CASH DISTRIBUTIONS OR ALLOW DISTRIBUTIONS TO BE REINVESTED. The Purchaser elects to (select one of the following provisions):

(a) ____ Receive monthly cash distributions from the Fund in the amount of Purchaser's share of cash available for distribution; or

(b) ____ Allow all monthly distributions to be reinvested for additional Membership Interests.

(c) ____ Receive ____% of each monthly distribution in cash, and allow ____% to be reinvested in the Fund.

Purchaser understands and agrees that such election will become effective on the first (1st) day of the month following receipt of the election. If no election is made, then the monthly distribution will be a cash distribution. An election to reinvest distributions is revocable with thirty (30) days notice to the Fund. Purchaser further understands and agrees that: (a) cash retained by the Fund on behalf of all Members who elect to reinvest their distributions will be used by the Fund to make further mortgage loans or for other proper Fund purposes; and (b) Members whose distributions are retained by the Fund pursuant to an election to reinvest distributions will have the retained funds credited to their Capital Accounts. They will therefore be entitled to a larger proportionate share of Fund's profits and losses, and Member voting rights.

Purchaser understand and agree the subscription, or portions thereof, will become effective on the first (1st) days to the month following acceptance of the subscription and the transfer of the Purchaser's subscription funds into the Fund's operating bank account(s) (the "Effective Date"). Any amounts drawn by the Fund from the subscription account prior to the Effective Date shall be treated as a loan for which the Purchaser shall receive interest during the month and for which the Purchaser shall receive a 1099 Statement. As of the Effective Date, the Purchaser's investment, or portions drawn from the subscription account, will be treated as an investment in the LLC.

3. SUBSCRIPTION AGREEMENT. Purchaser acknowledges, understand, and agrees with the following:

(a) This subscription cannot be withdrawn, terminated, or revoked. Purchaser agrees to become a Member of the Fund and to be bound by all the terms and conditions of the Operating Agreement and Memorandum. This subscription shall be binding on the heirs, executors, administrators, successors and assigns of Purchaser. This subscription is not transferable or assignable by Purchaser.

(b) This subscription may be rejected, in whole or in part, by the Manager in its sole and absolute discretion. If this subscription is rejected, in whole or in part, or if the Minimum Offering Amount is not raised, then Purchaser's funds shall be returned, in whole or in part, without interest. This subscription shall be binding on the Fund only upon acceptance by the Manager.

(c) Neither the execution, nor the acceptance of this Subscription Agreement, makes Purchaser a Member of the Fund. Purchaser will become a Member only when Purchaser's funds are transferred to the Fund's bank account and a Membership Interest is issued to Purchaser. Until that time, Purchaser shall have only the rights set forth in this Subscription Agreement.

(d) Purchaser's rights and responsibilities will be governed by the terms and conditions of this Subscription Agreement, the Investor Questionnaire, the Operating Agreement, and the

Memorandum. The Fund will rely upon the information provided in this Subscription Agreement and the Investor Questionnaire to confirm that Purchaser is an “Accredited Investor” as defined in Regulation D promulgated under the Act.

4. REPRESENTATIONS AND WARRANTIES BY PURCHASER. Purchaser, on behalf of himself, herself, or the entity or trust purchasing the Membership Interest, represents, warrants, and agrees as follows:

(a) Purchaser has received and read the Memorandum and its exhibits, and is thoroughly familiar with the proposed business, operations, and financial condition of the Fund. Purchaser has relied solely upon the Memorandum and independent investigations made by Purchaser or Purchaser’s representative with respect to the investment in the Fund. No oral or written representations beyond the Memorandum have been made to me, or relied upon by me.

(b) Purchaser has read and understands the Operating Agreement and how a Fund functions as a corporate entity. By purchasing the Membership Interests and executing this Subscription Agreement, Purchaser hereby agrees to the terms and provisions of the Operating Agreement and the Memorandum.

(c) Purchaser understands that the Fund has limited financial and operating history. Purchaser has been furnished with such financial and other information concerning the Fund, its Manager, and its business, as Purchaser considers necessary in connection with the investment in the Membership Interests. Purchaser has been given the opportunity to discuss any questions and concerns with the Manager.

(d) Purchaser is purchasing the Membership Interests for Purchaser’s own account (or for an entity if Purchaser is a principal or officer of such, or for a trust if Purchaser is a trustee), for investment purposes, and not with a view or intention to resell or distribute the same. Purchaser has no present intention, agreement, or arrangement to divide my participation with others or to resell, assign, transfer, or otherwise dispose of all or part of the Membership Interests.

(e) Purchaser, or Purchaser’s investment advisors, has such knowledge and experience in financial and business matters that enables Purchaser to utilize the information made available to evaluate the risks of this prospective investment and to make an informed investment decision. Purchaser has been advised by the Manager to consult Purchaser’s own attorney concerning this investment and to consult with independent tax counsel regarding the tax considerations of participating in the Fund.

(f) Purchaser has carefully reviewed and understands the risks of investing in the Fund, including those set forth in the Memorandum. Purchaser has carefully evaluated Purchaser’s financial resources and investment position, and acknowledges that Purchaser is able to bear the economic risks of this investment. Purchaser further acknowledges that Purchaser’s financial condition is such that Purchaser is not under any present necessity or constraint to dispose of the Membership Interests to satisfy any existent or contemplated debt or undertaking. Purchaser has adequate means of providing for Purchaser’s current needs and possible contingencies, and has no need for liquidity in Purchaser’s investment.

(g) Purchaser has been advised that the Membership Interests have not been registered under the Securities Act of 1933, as amended (the “Act”), or qualified under any state securities laws (the “Law”), on the ground, among others, that no distribution or public offering of the Membership Interests is to occur because the Membership Interests will be issued by the Fund in connection with a transaction

that does not involve any public offering within the meaning of Section 4(2) of the Act, the Law, or under the respective rules and regulations of the U.S. Securities and Exchange Commission.

(h) Purchaser represents to the Fund and the other Members that (a) Purchaser is acquiring the Membership Interests in the Fund for investment purposes for Purchaser's own account and not with a view to its sale or distribution and (b) neither the Manager nor any other Member has made any guaranty or representation upon which Purchaser has relied upon concerning the possibility or probability of profit or loss resulting from an investment in the Fund.

(i) Purchaser will notify the Manager and the Fund immediately of any material change in any statement or response made in this Subscription Agreement before acceptance by the Manager of this subscription, and if accepted, during the term that Purchaser is a Member of the Fund.

(j) Purchaser has sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the prospective investment, or Purchaser has consulted with Professional Advisors who have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of prospective investment.

(k) Purchaser is able to bear the economic risk of an investment in the Fund for an indefinite period of time and understands that an investment in the Fund is illiquid and may result in a complete loss of such investment.

5. RESTRICTIONS ON TRANSFER. Purchaser understands that, as a condition to this Offering of Membership Interests, restrictions have been placed upon the ability of Investors to resell or otherwise dispose of any Membership Interests purchased hereunder including, without limitation, the following:

(a) The Membership Interests have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Act"), in reliance upon the exemptions provided for under Section 4(2) and Regulation D thereunder.

(b) There is no public market for the Membership Interests and none is expected to develop in the future. Even if a potential buyer could be found, Membership Interests may not be resold or transferred without satisfying certain conditions designed to comply with applicable tax and securities laws, including, without limitation, provisions of the Act, Rule 144 thereunder, and the requirement that certain legal opinions be provided to the Manager with respect to such matters. A transferee must meet the same investor qualifications as the Members admitted during the Offering Period. Investors must be capable of bearing the economic risks of this investment with the understanding that Membership Interests may not be liquidated by resale or redemption and should expect to hold their Membership Interests as a long-term investment.

(c) A legend will be placed upon all instruments evidencing ownership of Membership Interests in the Fund stating that the Membership Interests have not been registered under the Securities Act of 1933, as amended, and set forth the foregoing limitations on resale. Notations regarding these limitations shall be made in the appropriate records of the Fund with respect to all Membership Interests offered hereby. The Fund will charge a minimum transfer fee of Five Hundred Dollars (\$500) per transfer of ownership. If a Member transfers Membership Interests to more than one person, except transferees who will hold title together, the transfer to each person will be considered a separate transfer.

6. POWER OF ATTORNEY

(a) Purchaser irrevocably constitutes and appoints the Manager with full power of substitution as his, her or its true and lawful attorney-in-fact and agent, to execute, acknowledge, verify, swear to, deliver, record, and file, in Purchaser's name or his, her, or its assignee's name, place, and stead, all instruments, documents, and certificates that may, from time to time, be required by the laws of the United States of America, the State of California, and any other state in which the Fund conducts or plans to conduct business, or any political subdivision or agency of the government, to effectuate, implement, and continue the valid existence of the Fund, including, without limitation, the power of attorney and authority to execute, verify, swear to, acknowledge, deliver, record and file the following:

(i) The Operating Agreement, the Articles of Organization, and all other instruments (including amendments) that the Manager deems appropriate to form, qualify or continue the Fund as a limited liability company in the State of California and all other jurisdictions in which the Fund conducts or plans to conduct business;

(ii) All instruments that the Manager deems appropriate to reflect any amendment to the Limited liability company Agreement, or modification of the Fund, made in accordance with the terms of the Operating Agreement;

(iii) A fictitious business name certificate and such other certificates and instruments as may be necessary under the fictitious or assumed name statute from time to time in effect in the State of California and all other jurisdiction in which the Fund conducts or plans to conduct business;

(iv) All instruments relating to the admission of any additional or substituted Member; and

(v) All conveyances and other instruments that the Manager deems appropriate to reflect the dissolution and termination of the Fund pursuant to the terms of the Operating Agreement.

(b) The power of attorney granted is a special power of attorney and shall be deemed to be coupled with an interest, shall be irrevocable, shall survive the death, dissolution, bankruptcy, or legal disability of Purchaser, and shall extend to Purchaser's heirs, successors, and assigns. Purchaser agrees to be bound by any representations made by the Manager acting in good faith under such power of attorney, and each Member waives any and all defenses that may be available to contest, negate, or disaffirm any action of the Manager taken in good faith under such power of attorney.

7. MISCELLANEOUS

(a) **CHOICE OF LAWS.** This Subscription Agreement will be governed by and construed in accordance with the laws of the State of California.

(b) **ENTIRE AGREEMENT.** This Subscription Agreement constitutes the entire agreement between the parties and may be amended only by written agreement between all parties.

(c) **BINDING ARBITRATION.** Any dispute under this Subscription Agreement will be resolved under the then prevailing rules of the JAMS in the county of the Fund's principal place of business.

(d) **TERMINATION OF AGREEMENT.** If this subscription is rejected by the Fund, then this Subscription Agreement shall be null and void and of no further force and effect, no party shall have

any rights against any other party and the Fund shall promptly return the funds delivered with this Subscription Agreement without interest.

(e) **TAXES.** The discussion of the federal income tax considerations arising from investment in the Fund, as set forth in the Memorandum, is general in nature and the federal income tax considerations to Purchaser of investment in the Fund will depend on individual circumstances. The Memorandum does not discuss state income tax considerations, which may apply to all or substantially all Purchasers. There can be no assurance the Internal Revenue Code or the Regulations under the Code will not be amended in a manner adverse to the interests of Purchaser or the Fund.

(f) **DULY AUTHORIZED.** If Purchaser is a corporation, partnership, trust, or other entity, the individuals signing in its name are duly authorized to execute and deliver this Subscription Agreement on behalf of such entity, and the purchase of the Membership Interests by such entity will not violate any law or agreement by which it is bound.

(g) **MEMBERSHIP INTERESTS WILL BE RESTRICTED SECURITIES.** Purchaser understands that the Membership Interests will be “restricted securities” as that term is defined in Rule 144 under the Act and, accordingly, that the Membership Interests must be held indefinitely unless they are subsequently registered under the Act and any other applicable securities law or exemptions from such registration is available. Purchaser understands that the Fund is under no obligation so to register the Membership Interests under the Act, to qualify the Membership Interests under any securities law, or to comply with any other exemption under the Act or any other law.

(h) **SUCCESSORS.** The representations, warranties and agreements contained in this Subscription Agreement shall be binding on Purchaser’s successors, assigns, heirs and legal representatives and shall inure to the benefit of the respective successors and assigns of the Fund and its directors and officers. If Purchaser is more than one person, the obligations of all of them shall be joint and several, and the representations and warranties contained herein shall be deemed to be made by and to be binding upon each such person and his heirs, executors, administrators, successors, and assigns.

(i) **INDEMNIFICATION.** Purchaser shall indemnify and defend the Fund and the Manager from and against any and all liability, damage, cost, or expense (including attorneys’ fees) arising out of or in connection with: (i) any inaccuracy in, or breach of, any of Purchaser’s declarations, representations, warranties or covenants set forth in this document or any other document or writing delivered to the Fund; (ii) any disposition by Purchaser of any Membership Interests in violation of this Subscription Agreement, the Operating Agreement or applicable law; or (iii) any action, suit, proceeding or arbitration alleging any of the foregoing.

THE MEMBERSHIP INTERESTS SUBJECT TO THIS SUBSCRIPTION AGREEMENT ARE SECURITIES WHICH HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”). SUCH INTERESTS MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED TO ANY PERSON AT ANY TIME IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT COVERING SUCH MEMBERSHIP INTERESTS UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE MANAGER OF THE FUND TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED, OR IN A MANNER INCONSISTENT WITH THE TERMS OF THE OPERATING AGREEMENT GOVERNING SUCH LIMITED LIABILITY COMPANY OR THE PRIVATE PLACEMENT MEMORANDUM WHICH DESCRIBES THE MEMBERSHIP INTERESTS, WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE.

BY EXECUTING THIS SUBSCRIPTION AGREEMENT, PURCHASER HEREBY AGREES, UPON SUBMISSION AS A MEMBER INTO THE FUND, TO BE LEGALLY BOUND BY THE TERMS OF THE OPERATING AGREEMENT AND MEMORANDUM.

[Signature Page to Subscription Agreement]

FOR GOOD AND VALID CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Purchaser, intending to be legally bound, has executed this Subscription Agreement as of _____, 20__.

“I/We understand and agree my/our subscription will become effective on the first (1st) day of the month following acceptance of the subscription (the “Effective Date”). Any amounts drawn by the Fund from the subscription account prior to the Effective Date shall be treated as a loan for which I/we shall receive interest during the month prior to the Effective Date and for which I/we will receive a 1099 Statement. As of the Effective Date, my/our investment will be treated as an investment in the Fund.”

_____ Purchaser initials

PURCHASER:

Name of Purchaser(s)

Purchaser Signature

Co-Purchaser Signature

Name and title (if applicable) of person signing

Name and title (if applicable) of person signing

ACCEPTANCE: (NOT VALID UNTIL ACCEPTED BY MANAGER)

ACCEPTANCE

The Manager of the Fund has accepted this Subscription Agreement as of _____, 20__.

RUBICON MORTGAGE FUND, LLC
a California limited liability company

By: RUBICON REALTY ADVISORS INC.
a California corporation, Manager

By: _____
Name: _____
Title: _____