

BLUE OCEAN PROPERTIES, LLC

SUBSCRIPTION AGREEMENT

Up to \$10,000,000
Blue Ocean Credit Opportunity – Fund II
Series A Promissory Notes
Minimum Investment \$100,000

(Notes for lesser amounts may be issued in the Company's sole discretion)

This Subscription Agreement is for the confidential use of the recipient and may not be reproduced in whole or in part.

BLUE OCEAN PROPERTIES, LLC
SUBSCRIPTION AGREEMENT AND INSTRUCTIONS FOR
BLUE OCEAN CREDIT OPPORTUNITY – FUND II

This section alone does not constitute an offer to participate in the Blue Ocean Credit Opportunity - Fund II Note offering by Blue Ocean Properties, LLC (the “Company”). An offer may be made only by an authorized representative of the Company. An investment may only be made by an accredited investor.

HOW TO SUBSCRIBE FOR NOTES

1. To participate in the Blue Ocean Credit Opportunity – Fund II and subscribe for Notes, you must:
 - Subscription Agreement and Noteholder Questionnaire: Complete all requested information in this Subscription Agreement and Noteholder Questionnaire and date and sign the signature page.
 - Third Party Verification of Accredited Investor Status: Deliver to the Company the completed, signed and dated Third Party Verification of Accredited Investor Status which follows the signature page. Note that the Company must take reasonable steps to verify that you are an accredited investor and therefore we require that your accredited investor status be verified by a certified public accountant, a licensed attorney, a broker-dealer registered with the Securities and Exchange Commission (the “SEC”), or an investment advisor registered with the SEC. Subscribers who do not have access to someone who will provide verification should contact us for assistance.
 - IRS Form W-9 or Form W-8: Complete and sign IRS Form W-9 or the applicable Form W-8 to certify your tax identification number or status attached as Exhibit A and Exhibit B, respectively.

If you will be participating through multiple entities, please make additional copies of these documents as necessary, ensuring that all documents are completed for each entity investing in the Company.

2. Make check payable (or facilitate bank wire using coordinates set forth below) in U.S. funds to: “BLUE OCEAN PROPERTIES, LLC”. The check should be for an amount equal to the aggregate principal amount of the Note being subscribed for hereunder.
3. Deliver the above documents (and check, if applicable) to the following address:

Blue Ocean Properties, LLC
11620 Red Run Blvd
Reisterstown, MD 21136
Attention: Jonathan Ehrenfeld
Telephone: (443) 278-9302
jehrenfeld@blueocean.com

NOTE: For funding by bank wire transfer, please notify us via telephone or e-mail that a wire is in progress and use the following wire instructions:

WIRING INSTRUCTIONS

BLUE OCEAN PROPERTIES LLC

KeyBank, N.A.

127 Public Square

Cleveland, OH 44114

Contact: Shelece Austin-Walters

203-604-1011

ABA Routing # 021300077

Account # 329681291103

ADDITIONAL REQUIRED DOCUMENTS

The Company reserves the right to request any additional documentation necessary to verify the identity of a prospective Noteholder. Please be aware that your failure to provide such documentation may delay your acceptance by the Company or cause your subscription request to be rejected entirely. The Company shall be held harmless by any such prospective Noteholder against any loss arising as a result of a failure to provide any requested documentation.

ADDITIONAL INFORMATION

For additional information concerning subscriptions, prospective Noteholders should contact Jonathan Ehrenfeld, President, Blue Ocean Properties, LLC, 11620 Red Run Blvd., Reisterstown, MD 21136, (443) 278-9302, or jehrenfeld@blueocean.com.

THE NOTES OFFERED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR OTHER SECURITIES LAWS OR THE LAWS OF ANY FOREIGN JURISDICTION IN RELIANCE ON EXEMPTIONS FROM SUCH REGISTRATION. THE NOTES HAVE NOT BEEN RECOMMENDED, ENDORSED, APPROVED OR DISAPPROVED BY ANY U.S. FEDERAL OR STATE, OR ANY NON-U.S., SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAS ANY SUCH AUTHORITY OR COMMISSION PASSED ON THE ACCURACY OR ADEQUACY OF THIS SUBSCRIPTION AGREEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE, NON-U.S. AND OTHER SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THE NOTES UNDER THE SECURITIES ACT, ANY STATE SECURITIES LAWS OR THE LAWS OF ANY FOREIGN JURISDICTION. PROSPECTIVE NOTEHOLDERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE NOTES FOR AN INDEFINITE PERIOD OF TIME.

THIS SUBSCRIPTION AGREEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE NOTES IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH JURISDICTION. NO ACTION HAS BEEN TAKEN THAT WOULD, OR IS INTENDED TO, PERMIT A PUBLIC OFFER OF THE NOTES IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THE PURPOSE IS REQUIRED. ACCORDINGLY, THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS SUBSCRIPTION AGREEMENT NOR ANY OTHER INFORMATION, ADVERTISEMENT OR OTHER DOCUMENT MAY BE DISTRIBUTED OR PUBLISHED, IN ANY COUNTRY OR JURISDICTION EXCEPT UNDER CIRCUMSTANCES THAT WILL RESULT IN COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS. IT IS THE RESPONSIBILITY OF PERSONS WISHING TO SUBSCRIBE FOR THE NOTES TO INFORM THEMSELVES OF AND TO OBSERVE ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE NOTEHOLDERS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING OR DISPOSAL OF THE NOTES. THE NOTES ARE OFFERED SUBJECT TO THE RIGHT OF THE COMPANY TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART IN ITS SOLE AND ABSOLUTE DISCRETION.

THE NOTES OFFERED HEREBY WILL BE MADE AVAILABLE ONLY TO “ACCREDITED INVESTORS”, AS DEFINED IN SECTION 2(15) OF THE SECURITIES ACT AND RULE 501 THEREUNDER OR PURSUANT TO OTHER EXEMPTIONS NOT INCONSISTENT THEREWITH. THE NOTES OFFERED HEREBY ARE BEING OFFERED PURSUANT TO EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS FOR NONPUBLIC OFFERINGS. SUCH

EXEMPTIONS LIMIT THE NUMBER AND TYPES OF NOTEHOLDERS TO WHOM THE OFFERING MAY BE MADE AND RESTRICT SUBSEQUENT TRANSFER OF THE NOTES.

THERE IS NO PUBLIC MARKET FOR THE NOTES OFFERED HEREBY, AND THERE IS NO ASSURANCE THAT ONE WILL EVER DEVELOP. FURTHERMORE, THE NOTES ARE SUBJECT TO RESTRICTION ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PAYMENTS ON THE NOTES ARE GOVERNED BY THE PROVISIONS OF THE SERIES A PROMISSORY NOTE. NOTEHOLDERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS LOAN FOR AN INDEFINITE PERIOD OF TIME. NO NOTES MAY BE RESOLD OR OTHERWISE DISPOSED OF BY A NOTEHOLDER UNLESS, IN THE OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, REGISTRATION UNDER THE APPLICABLE FEDERAL AND STATE SECURITIES LAWS IS NOT REQUIRED OR SUCH DISPOSITION IS MADE IN COMPLIANCE WITH SUCH REGISTRATION REQUIREMENTS.

A LOAN TO THE COMPANY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK, AND IS NOT APPROPRIATE FOR PERSONS WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE LOAN. NOTEHOLDERS WILL BE REQUIRED TO REPRESENT THAT THEY ARE FAMILIAR WITH AND UNDERSTAND THE TERMS OF THIS OFFERING, AND THAT THEY OR THEIR PURCHASER REPRESENTATIVE HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT THEY ARE CAPABLE OF EVALUATING THE MERITS AND RISKS OF THIS LOAN.

FOR FLORIDA RESIDENTS: THESE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE FLORIDA SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE NOTES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE NOTES REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT. THE NOTES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL FLORIDA RESIDENTS SHALL HAVE THE PRIVILEGE OF VOIDING THE PURCHASE WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.

BLUE OCEAN PROPERTIES, LLC
BLUE OCEAN CREDIT OPPORTUNITY – FUND II

SUBSCRIPTION AGREEMENT

Blue Ocean Properties, LLC
11620 Red Run Blvd
Reisterstown, MD 21136
Attention: Jonathan Ehrenfeld

Ladies and Gentlemen:

The undersigned (the “Noteholder”) hereby tenders this Subscription Agreement (the “Subscription Agreement”) and hereby subscribes to participate in the Blue Ocean Credit Opportunity – Fund II for the issuance of a Series A Promissory Note (the “Note”) of Blue Ocean Properties, LLC, a Maryland limited liability company (the “Company”) in the principal amount set forth on the signature page hereto (the “Loan”), in accordance with the terms set forth in this Subscription Agreement and the form Note attached hereto as Exhibit C.

In consideration of the acceptance by the Company of the Noteholder’s subscription as set forth herein, the Noteholder hereby agrees, covenants, represents and warrants as follows:

1. Subscription.

Subject to the terms of this Subscription Agreement, the Noteholder hereby tenders the full amount of the Loan to the Company upon the execution hereof by wire transfer or by check payable to the Company. Upon acceptance by the Company, the Company will execute and deliver to the Noteholder the Note in the principal amount of the Loan. The Noteholder understands that the Note is one of a series of notes (the “Notes”) in the aggregate amount of up to \$10,000,000, offered by the Company in the Blue Ocean Credit Opportunity – Fund II (the “Offering”). Other than with respect to Early Repayments (as defined in the Note), all payments made to with respect to any of the Notes, including without limitation this Note, shall be made and accounted for on a *pari passu* basis with all other Notes.

2. Representation and Warranties of the Noteholder.

The Noteholder represents and warrants to the Company as follows:

(a) Review of Company Information. The Noteholder has received, carefully reviewed and is familiar with the materials heretofore presented and all other information concerning the Company. The Noteholder acknowledges that the Noteholder is participating in this Offering and accepting the Note without being furnished any offering literature or prospectus other than the materials on the Company’s website and this Agreement. The Noteholder understands and has evaluated the risks of participating in the Offering and making an investment in the Company.

(b) Securities Act Registration. The Noteholder understands that the Notes have not been registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or any securities law of any state of the United States or any other jurisdiction, in each case in reliance on an exemption for private offerings.

(c) Investment Company Act Registration. The Noteholder understands that the Company has not been registered under the United States Investment Company Act of 1940, as amended. In addition, the Noteholder understands that the Managing Member of the Company is not registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

(d) Investment Intent. The Noteholder is participating in the Offering and accepting the Note solely for investment, solely for the Noteholder’s own account, not for the account of any other person, and not for distribution, assignment or resale to others and no other person has a direct or indirect beneficial interest in the Loan or Note.

(e) Independent Advisors. The Noteholder has consulted with the Noteholder’s legal and tax advisors with respect to legal matters and the financial and tax consequences of participating in the Offering, as well as the suitability of this investment, based on the Noteholder’s individual circumstances.

(f) Access to Other Information. In making a decision to participate in the Offering, the Noteholder has relied solely upon his, her or its independent investigation. The undersigned has had the opportunity to ask questions of and receive answers from the Company (or persons acting on its behalf) concerning the terms and conditions of the Loan, the activities of the Company, and other matters pertaining to this investment and to obtain any additional information which the Company possesses or can acquire without unreasonable effort or expense that is necessary to verify the accuracy of information furnished by the Company or that which was otherwise provided in order for the Noteholder to evaluate the merits and risks of participating in the Offering, and has not been furnished any other offering literature or prospectus. All such questions and requests for information have been answered to the full satisfaction of the Noteholder.

(g) Accredited Investor Status.

The Noteholder is an “accredited investor” within the meaning of Rule 501 of Regulation D under the Securities Act, and has checked the box(es) below which are next to the category or categories under which the Noteholder qualifies as an accredited investor. The Noteholder’s status as an “accredited investor” as stated by the Noteholder by checking the below box(es) must be verified by a third party as noted in the “HOW TO SUBSCRIBE FOR NOTES” section above, and as verified on the completed Third Party Verification of Accredited Investor Status which follows the signature page to this Subscription Agreement:

For Individuals

- A natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase exceeds \$1,000,000. For such

purposes, the value of one's primary residence should not be counted as an asset and the amount of the mortgage on such primary residence, to the extent that it does not exceed the value of the residence, should not be counted as a liability.

- A natural person with individual income (without including any income of the Noteholder's spouse) in excess of \$200,000, or joint income with spouse in excess of \$300,000, in each of the two most recent years and who reasonably expects to reach the same income level in the current year.

For Entities

- An entity, including a grantor trust, in which all of the equity owners are accredited investors (for this purpose, a beneficiary of a trust is not an equity owner, but the grantor of a grantor trust is an equity owner).
- A corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of participating in the Offering, or an organization described in Section 501(c)(3) of the Internal Revenue Code, with total assets in excess of \$5 million.
- A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity.
- An insurance company as defined in Section 2(a)(13) of the Securities Act.
- A broker-dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934.
- An investment company registered under the Investment Company Act of 1940 (the "Investment Company Act").
- A business development company as defined in Section 2(a)(48) of the Investment Company Act of 1940.
- A small business investment company licensed by the Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.
- A private business development company as defined in Section 202(a)(22) Of the Advisers Act.
- A trust with total assets in excess of \$5 million not formed for the specific purpose of participating in the Offering, whose purchase is directed by a person with such knowledge and experience in financial and business matters

as to be capable of evaluating the merits and risks of participating in the Offering.

- An employee benefit plan within the meaning of ERISA if the decision to invest in the Company is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5 million or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if the plan has total assets in excess of \$5 million.

(h) Accredited Investor Status Verification. The Noteholder's status as an "accredited investor" is verified as set forth in the completed Third Party Verification of Accredited Investor Status which follows the signature page to this Subscription Agreement.

(i) Financial Ability and Knowledge.

The Noteholder satisfies the requirements set forth below, indicated by a check mark in the appropriate box(es):

- The Noteholder has the financial means to participate in the Offering; the Noteholder is able to bear the economic risk of participating in the Offering; and the Noteholder's present financial condition is such that the Noteholder is under no present or contemplated future need to dispose of any portion of the Note to satisfy any existing or contemplated undertaking, need or indebtedness; or
- The Noteholder, if a natural person, or the person directing the purchase, if an entity, has such knowledge and experience in business and financial matters as will enable the Noteholder to utilize the information made available to the Noteholder to evaluate the merits and risks of participating in the Offering and to make an informed investment decision.

The Noteholder's profession/occupation is _____ and has _____ years' experience in such profession/occupation.

The Noteholder has _____ years investment experience.

To date, the Noteholder has invested in the following (please check all boxes that apply):

- | | | | | |
|---|---------------------------------------|--------------------------------------|--|--|
| <input type="checkbox"/> Stocks – Large Cap | <input type="checkbox"/> Mutual Funds | <input type="checkbox"/> Options | <input type="checkbox"/> Real Estate | <input type="checkbox"/> REITs |
| <input type="checkbox"/> Stocks – Small Cap | <input type="checkbox"/> Hedge Funds | <input type="checkbox"/> Commodities | <input type="checkbox"/> Mortgages | <input type="checkbox"/> Real Estate LPs |
| <input type="checkbox"/> Stocks – Micro Cap | <input type="checkbox"/> Index Funds | <input type="checkbox"/> Annuities | <input type="checkbox"/> Money Markets | <input type="checkbox"/> Certificates of Deposit |

- Bonds – Corporate Private equities U.S. Treasuries Precious Metals Foreign securities
 Bonds – Municipal Oil Drilling Oil Production Other:

(j) Noteholder’s Residence. The Noteholder, if a natural person, has his or her principal residence in the state listed on the signature page hereof, and has no present intention of changing such residence; and, if an entity, has its principal office in the state listed on the signature page hereof, and has no present intention of changing such principal office.

(k) Risk of Investment. The Noteholder acknowledges that participating in the Offering and making an investment in the Company involves a high degree of risk. The undersigned acknowledges that the Note is a speculative investment involving a high degree of risk and any estimates and predictions that may have been made by the Company merely represent predictions of future events, which may or may not occur and are based on assumptions, which may or may not occur. As a consequence, such predictions may not be relied upon to indicate the actual results, which might be attained. The Noteholder understands that he/she must therefore bear the economic risk of this investment for an indefinite period of time and be able to withstand a total loss of the investment.

(l) Limited Market for Notes. The Noteholder understands that the issuance of the Notes has not been registered under the Securities Act and that the Notes are being sold in reliance upon the exemption from the registration requirements under the Securities Act provided in Regulation D promulgated thereunder or pursuant to other exemptions not inconsistent therewith. The Noteholder further understands that there is a limited public trading market for the Notes and there can be no assurance that an active market will develop.

(m) Restrictions on Transferability. The Noteholder acknowledges and understands that: (a) the Notes have not been registered under the Securities Act and any applicable state or foreign securities laws (the “State Acts”), and may not be sold, pledged, hypothecated, donated or otherwise transferred (whether or not for consideration) by the Noteholder unless registered pursuant to the Act and the State Acts, or upon presentation to the Company of evidence satisfactory to the Company, or submission to the Company of a favorable opinion of counsel acceptable to the Company, to the effect that any such transfer is subject to an applicable exemption under and will not be in violation of the Act and the State Acts; (b) the Company has not agreed to register the Notes for distribution in accordance with the provisions of the Act or the State Acts, and has not agreed to comply with any exemption under the Act and the State Acts for the transfer of the Notes; and (c) as a result of the limitations on the ability to transfer the Notes, the Noteholder may be required to hold the Note indefinitely and therefore may not realize any liquidity from any sale of the Note.

(n) Guaranty; Priority. The Noteholder acknowledges and understands that the obligations of the Company to pay the Notes are personally guaranteed, jointly and severally, by Jonathan Ehrenfeld and Shoshana Ehrenfeld but are otherwise unsecured, and that the Company is and may be indebted to other parties in the future and the claims of such other indebtedness may be secured and have repayment priority over the Loan.

(o) Entity Authority. The execution and delivery of this Agreement, and the making of the Loan will not conflict with or result in any violation of or default under any

provision of any other agreement or instrument to which the Noteholder is a party or any license, permit, franchise, judgment, order, writ or decree, or any statute, rule or regulation, applicable to the Noteholder. This Agreement creates a valid and binding obligation of the Noteholder and is enforceable against the Noteholder in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights, and subject to general equity principles and to limitations on availability of equitable relief, including specific performance. If this Subscription Agreement is executed and delivered on behalf of a corporation, partnership, association, joint stock company, trust, unincorporated organization or other entity, the signature of the undersigned is binding upon such partnership, corporation, trust or other entity. Such entity has previously made other investments or engaged in other substantive business activities prior to receiving an opportunity to make the Loan and was not formed with a view to investment in the Note.

(p) Finder's Fees. The Noteholder has made no arrangement, which could give rise to any broker's or finder's fees or similar fees in connection with the issuance of the Note.

(q) Acceptance by Company. The Noteholder acknowledges and understands that the Company may reject or refund the Noteholder's subscription for any or no reason. The Subscription Agreement shall become binding upon the Company only when accepted, in writing, by the Company. If the Noteholder's subscription is rejected, the funds submitted by the Noteholder will be returned without interest.

(r) Reliance by Company. The foregoing representations and warranties and all other information which the Noteholder has provided to the Company concerning such Noteholder, the financial position of the Noteholder, the Third Party Verification of Accredited Investor Status, and the Noteholder's knowledge of financial and business matters, or in the case of persons investing as joint tenants or a corporation, partnership, trust or other entity, the knowledge of financial and business matters of the person making the investment decision on behalf of such joint tenants or entity, including all information contained herein, are true and accurate as of this date and shall be true and accurate as of the date of the acceptance by the Company of this subscription. If in any respect such representations, warranties or information shall not be true and accurate at any time prior to the Noteholder's receipt of confirmation of acceptance of this subscription, the Noteholder will give written notice of such fact to the Company, specifying which representations, warranties or information are not true and accurate and the reasons therefor. All such representations and warranties shall survive delivery of this Agreement.

3. Covenant of the Noteholder.

The Noteholder covenants and agrees that the Noteholder will not take, or cause to be taken any action with respect to the Notes that would cause the Noteholder to be deemed an "underwriter" as defined in Section 2(11) of the Securities Act.

4. Indemnification.

The Noteholder understands and acknowledges that the Company and its control persons are relying on the representations, warranties and agreements made by the

Noteholder in this Subscription Agreement including the Third Party Verification of Accredited Investor Status provided by the Noteholder, and the Noteholder agrees to indemnify and hold harmless the Company, its control persons, the Company's affiliates and anyone acting on its behalf from and against all damages, losses, costs and expenses (including reasonable attorneys' fees) which they may incur by reason of any breach of the representations and warranties made by the Noteholder herein.

5. Binding Effect; Successors and Assigns.

This Subscription Agreement will be binding upon the parties hereto, the successors and assigns of the Company and the heirs, personal representatives, successors and assigns of the Noteholder. This Subscription Agreement and the Third Party Verification of Accredited Investor Status which follows the signature page to this Subscription Agreement will inure to the benefit of the Company and its successors and assigns. Neither this Subscription Agreement nor any part of it is assignable by the Noteholder.

6. Miscellaneous.

(i) This Subscription Agreement and the Note constitute the entire agreement among the parties hereto with respect to the Loan and may be amended only by a writing executed by the parties hereto. This Subscription Agreement may be executed and delivered by fax or other electronic means, which shall be deemed an original.

(ii) Within 10 days after receipt of a written request from the Company, the Noteholder agrees to provide such information and to execute and deliver such documents as reasonably may be necessary to comply with any and all laws and ordinances to which the Company is subject.

(iii) In this Subscription Agreement the singular shall include the plural and the masculine gender shall include the feminine and neuter and vice versa, as the context requires.

(iv) Each provision of this Subscription Agreement shall be considered separable and if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law, such invalidity shall not impair the operation of or affect the remaining portions of this Subscription Agreement.

(v) This Subscription Agreement shall be construed in accordance with the laws of the State of Maryland, without regard to principles of conflict of laws.

SIGNATURE PAGE FOR ENTITY SUBSCRIBERS

The undersigned hereby agrees to participate in the Blue Ocean Credit Opportunity – Fund II in the principal amount of \$ _____, and herewith tenders such sum to the Company by wire transfer or check. By executing this Signature Page, the Noteholder agrees to be bound by all of the terms of the Subscription Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement as of this ____ day of _____, 2021.

Typed or Printed Name of Entity

By: _____

Name: _____

Title: _____

Principle Business Address of Entity

City State Zip

Telephone Number

Taxpayer Identification Number

ACCEPTED THIS ____ DAY OF _____, 2021

BLUE OCEAN PROPERTIES, LLC

By: _____
Jonathan Ehrenfeld, President

THIRD PARTY VERIFICATION OF ACCREDITED INVESTOR STATUS

The undersigned, by signing below, attests that the Noteholder entering into this Subscription Agreement is an accredited investor as represented by the Noteholder in Section 2(g) of the above Subscription Agreement, and the undersigned has taken reasonable steps to verify such accredited investor status within the last three months.

Occupation of Verifier (check one)

Company Name

Signature

Printed Name and Title

Date

- Certified Public Accountant
- Registered Broker-Dealer (i.e. stockbroker)
- SEC Registered Investment Advisor
- Licensed Attorney

If you do not have access to someone who will provide verification, please contact us to determine what information we will require to verify your accredited investor status.

Exhibit A

FORM W-9 (WITH INSTRUCTIONS)

(Attached)

Exhibit B

FORM W-8BEN, FORM W-8ECI, FORM W-8EXP AND FORM W-8IMY
(WITH INSTRUCTIONS)

(Provided upon request)

Exhibit C

FORM SERIES A PROMISSORY NOTE

(Attached)