

MASTER PARTICIPATION AGREEMENT

EDLY FUNDING SERIES LLC

This Master Participation Agreement (the “Master Participation Agreement”) is made by edly Funding Series LLC (the “Principal”) for the benefit of each Series designated by Principal from time to time as assignee (the “Participant”) of a Participation Interest (and the related Participation Certificate (in the form attached hereto as Annex A) as of this 20th day of August, 2019. The Principal and each Participant executing a Master Participation Agreement Supplement (in the form attached hereto as Annex B) hereby agree as follows with respect to the income share agreements or secured promissory notes (secured by income share agreements) (any such income share agreements or secured promissory notes shall be referred to herein as “ISA Assets”) identified on each related Master Participation Agreement Supplement:

1. Principal hereby sells, from time to time, and each Participant hereby purchases, from time to time, an undivided beneficial ownership interest in the related ISA Assets equal to a percentage interest of the aggregate maximum payment amounts or the outstanding unpaid balance, as applicable, of the related ISA Assets as set forth on the related Master Participation Agreement Supplement (each, a “Participation Interest”).
2. Principal shall, so long as the related ISA Assets are subject to this Master Participation Agreement, hold legal title to the related ISA Assets in trust for each Participant and solely for the purpose of arranging for and monitoring the servicing of the related ISA Assets by the Servicer designated on the Master Participation Agreement Supplement.
3. This Master Participation Agreement, and any servicing, custody or other agreements relating to or affecting the related ISA Assets, shall be managed and administered by Principal continuously from the date hereof. The Principal hereby assigns to each Participant all representations, warranties and covenants made by (a) each seller under any related purchase agreement pursuant to which the ISA Assets were acquired by Principal and all remedies with respect thereto, (b) each borrower under any related secured promissory note acquired by Principal and all remedies with respect thereto, and (c) each servicer under any related servicing agreement pursuant to which the income share agreements either owned by Principal or pledged to Principal as collateral as part of the related ISA Assets, which assignment in each case shall survive any release of the related ISA Assets from the terms of this Master Participation Agreement and the termination of this Master Participation Agreement solely with respect to such ISA Assets. Principal shall cause the applicable servicer or any applicable subservicer, collection agent or custodian to proceed diligently to collect all payments due under the related ISA Assets as and when the same shall become due and payable and shall promptly discharge all of its obligations as holder of the related ISA Assets (including the exercise of all rights and remedies of any obligor under any related income share agreement upon default of the related ISA Assets).
4. Principal shall promptly remit to Participant the applicable percentage interest as set forth on the related Master Participation Agreement Supplement of all payments and proceeds received by Principal with respect to the related ISA Assets including in connection with any financing or disposition of the ISA Assets, net of any fees, expenses or other charges due or payable to Principal or its affiliates as set forth on the Master Participation Agreement Supplement.

5. The related ISA Assets, all related payments, collections and other proceeds of the related ISA Assets and the security therefor shall be received and held by Principal in trust for the benefit of Participant and all moneys so received shall be deposited in an account managed by Principal for the benefit of each Participant.
6. Principal shall keep complete and accurate books, files and records of all matters pertaining to this Master Participation Agreement, each Master Participation Agreement Supplement, each Participation Interest issued thereunder and the related ISA Assets, shall make the same available for inspection by each Participant or its authorized representative at any reasonable time, and shall mark its records to evidence Participant's Participation Interest in the related ISA Assets.
7. This Master Participation Agreement shall be governed by the laws of the State of New York without regard to its conflicts of law principles and shall bind and inure to the benefit of successors and assigns.
8. Each party hereto covenants and agrees that it shall perform its obligations hereunder in a manner so as to maintain the status of each Participation Certificate as a grantor trust under subpart E, part I of subchapter J of chapter 1 of the Internal Revenue Code of 1986, as amended, and Treasury Regulations promulgated thereunder and not as an association taxable as a corporation, or as a partnership and to prevent the imposition of any federal, state or local income or other tax on each Participation Certificate. Upon the issuance of a Participation Certificate, the Principal shall make an election for such Participation Certificate to be treated for federal income tax purposes as a grantor trust.
9. The parties intend that each Participation Certificate created hereunder shall be treated as a grantor trust for federal income tax purposes and that the provisions of this Master Participation Agreement should be construed in furtherance of this intent.
10. This Master Repurchase Agreement may be amended from time to time by the Principal without the consent of any Participant; provided, however, any amendment which materially adversely affects a Participant shall require the consent of any such Participant. Promptly following any amendment to this Master Repurchase Agreement, the Principal will provide notice of such amendment to all Participants.
11. This Master Participation Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. The parties agree that this Master Participation Agreement, any documents to be delivered pursuant to this Master Participation Agreement and any notices hereunder may be transmitted between them by email. The parties intend that faxed signatures and electronically imaged signatures such as .pdf files shall constitute original signatures and are binding on all parties. The original documents shall be promptly delivered, if requested.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, the parties have entered into this Master Participation Agreement as of the date on the cover page of this Master Participation Agreement.

EDLY FUNDING SERIES LLC

DocuSigned by:
By: Chris Ricciardi
Name: Chris Ricciardi
Title: CEO

THIS MASTER PARTICIPATION AGREEMENT SHALL BE EFFECTIVE UPON THE EXECUTION OF EACH MASTER PARTICIPATION AGREEMENT SUPPLEMENT FOR THE RELATED ISA ASSETS AND FOR EACH PARTICIPANT EXECUTING SUCH SUPPLEMENT.

ANNEX A

FORM OF PARTICIPATION CERTIFICATE

Date: [_____]

Certificate No.:
[_____]

ISA Asset Type:
[_____]

Purchase Price:
[_____]

To: [PARTICIPANT]

Re: The Master Participation Agreement, dated as of _____, 2019 (the "Master Participation Agreement") by and between EDLY FUNDING SERIES LLC (the "Principal") and [_____] ("the Participant")

The Principal hereby certifies that it has received from the Participant, as of the date hereof, the purchase price in payment of a _____% undivided ownership interest in the ISA Assets that is identified on Schedule 1 (the "ISA Assets").

This Participation Certificate is issued pursuant to the Master Participation Agreement, and evidences the Participant's _____% beneficial ownership of the ISA Assets. This Participation Certificate is subject to, and incorporates by reference, all of the terms and conditions of the Master Participation Agreement.

EDLY FUNDING SERIES LLC

By: _____
Name: _____
Title: _____

SCHEDULE 1 TO ANNEX A
ISA ASSETS SCHEDULE

ANNEX B

FORM OF MASTER PARTICIPATION AGREEMENT SUPPLEMENT

PARTICIPANT:

PARTICIPATION CERTIFICATE INTEREST _____%

ISA ASSETS [SEE SCHEDULE 1 TO PARTICIPATION CERTIFICATE]

PURCHASE PRICE FOR PARTICIPATION INTEREST: \$_____

OTHER TERMS:

DATE:

EDLY FUNDING SERIES LLC

By: _____

Name: _____

Title: _____

Received and Agreed:

[PARTICIPANT]

By: _____

Name: _____

Title: _____

By executing this Master Participation Agreement Supplement, Participant confirms and acknowledges to the Principal that each of the representations and warranties made by the Participant to the Principal set forth in that certain Subscription Agreement heretofore delivered to Principal are true and correct in all respects as of the date hereof.