

Purchase Agreement for Sale of Artwork

This Agreement for Sale of Artwork (this “**Agreement**”) is entered into as of March ____, 2020 by DIRECT LENDING INVESTMENTS, LLC, a California limited liability company (“**Seller**”) in favor of STOREFRONT LENDERS LLC, a California limited liability company (“**Buyer**”).

WHEREAS, On April 1, 2019, the U.S. District Court for the Central District of California (the “**Court of Receivership**”) appointed Bradley D. Sharp as the receiver (in the capacity of receiver, the “**Receiver**”) of Seller and certain of its affiliates in the proceeding styled Securities and Exchange Commission v. Direct Lending Investments, LLC, case number 2:19-cv-2188.

WHEREAS, pursuant to that certain Sublease Agreement dated October 7, 2019 (the “**Sublease**”) between Seller and Buyer, Seller sublet the Premises (as defined in the Sublease, the “**Premises**”) to Buyer.

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, certain artwork (as described on Exhibit A attached hereto, the “**Artwork**”) existing at the Premises as of the date of the Sublease.

NOW THEREFORE, in consideration of the mutual covenants, conditions, representations and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by the parties to this Agreement, it is hereby agreed by the undersigned parties as follows:

1. Sale of Artwork. Upon the occurrence of the Approval Date (as defined below), Buyer agrees to pay by wire transfer to Seller consideration in the amount of SEVENTY THOUSAND DOLLARS (\$70,000.00) (the “**Consideration**”) for all the Artwork or the amounts reflected in Exhibit B for the individual, no later than five (5) business days after entry of an order of the Court approving the sale to the successful bidder at an auction held by the Receiver. Subject in every respect to Section 2 of this Agreement and upon Seller’s receipt of the Consideration, the adequacy of which Seller hereby acknowledges, Seller shall be deemed to irrevocably sell, assign, transfer, convey, grant, bargain and deliver to Buyer, all of Seller’s right, title and interest in and to the Artwork, without need for additional documentation.

2. Subject to Court Approval and Seller Cancellation. Notwithstanding anything to the contrary contained herein, this Agreement is subject in every respect to approval in writing by the Court of Receivership (the date of such approval, the “**Approval Date**”); provided that at any time prior to the Approval Date, Seller may in its sole and absolute discretion terminate this Agreement by notifying Buyer in writing that Seller intends to accept an offer from a third party to purchase the Artwork for a price greater than the Consideration described above.

3. No Seller Representations and Warranties. All Artwork shall be conveyed, if at all, to Buyer or an “as-is, where-is” basis, and Seller makes no representations or warranties of any kind, including without limitation no warranties of merchantability, authenticity or fitness for any particular purpose.

4. Qualified Bidder. The Receiver shall deem Buyer as a Qualified Bidder and this Agreement as a Qualified Bid, as defined in the Bidding Procedures.

5. Cooperation. Buyer will cooperate with the Receiver and Development Specialist, Inc. in providing reasonable access to the artwork that is currently in the Buyer's possession during the due diligence period for Qualified Bidders and at the conclusion of the auction, if Buyer is not the Successful Bidder (as defined in the Bidding Procedures).

6. Deposit. Buyer agrees to provide a good faith deposit in an amount equal to ten percent (10%) of the purchase for all the Artwork (i.e., \$7,000.00) to be held in escrow by the Receiver, prior to the Bid Deadline provided in the Bidding Procedures.

7. Back-Up Bidder. Buyer agreed to serve as the backup bidder, if another Qualifying Bidder's bid is the next highest and best bid, after the Successful Bid.

8. Liquidated Damages. In the event Buyer breaches or fails to perform under this Agreement, the Receiver is entitled to an amount equal to the amount of the deposit required under Section 6 of this Agreement.

9. Governing Law. This Agreement is governed by, and construed in accordance with, the laws of the State of California, without regard to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of California. Any lawsuit arising out of or otherwise relating to this Agreement shall be brought in the Court of Receivership, and both parties consent to the exclusive jurisdiction and venue of the same.

10. Entire Agreement. This Agreement constitutes the entire and final agreement among the parties hereto and there are no agreements, understandings, warranties or representations among the parties (whether written or oral) except as set forth herein. In entering into this Agreement, no party has relied on any representation or warranty (whether written or oral) not expressly set forth herein. This Agreement will inure to the benefit and bind the respective heirs, administrators, executors, representatives, successors and permitted assigns of the parties hereto.

11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, Seller and Buyer have each duly executed and delivered this Agreement as of the date first written above.

[Signatures on the following page]

SELLER:

DIRECT LENDING INVESTMENTS, LLC

By 
Name: Bradley D. Sharp
Title: Receiver

BUYER:

STOREFRONT LENDERS LLC

By 
Name: DAVID T. NOYAN
Title: President

EXHIBIT A

Description of Artwork

1. 35 STARS IN A DOUBLE WREATH PATTERN ON A CIVIL WAR VETERAN'S FLAG WITH OVERPRINTED BATTLE HONORS OF THE NEW YORK 71ST VOLUNTEER INFANTRY
2. EXCEPTIONAL 1876 QUILT FEATURING THE IMAGES OF GEORGE & MARTHA WASHINGTON, MADE FROM PATRIOTIC TEXTILES AND FLAGS THAT WERE PROBABLY ACQUIRED IN PHILADELPHIA AT THE CENTENNIAL INTERNATIONAL EXHIBITION
3. 33 STARS IN AN INTERESTING VARIATION OF THE "GREAT STAR" CONFIGURATION, MADE FOR THE 1860 CAMPAIGN OF ABRAHAM LINCOLN & HANNIBAL HAMLIN, WITH WHIMSICAL SERPENTINE TEXT
4. ABRAHAM LINCOLN MEMORIAL BANNER WITH A DRAMATIC PORTRAIT IMAGE, LATE 19TH CENTURY - 1909
5. U.S. NAVY JACK WITH 30 STARS, AN ENTIRELY HAND-SEWN, PRE-CIVIL WAR EXAMPLE WITH GREAT COLOR AND BOLD VISUAL QUALITIES, WISCONSIN STATEHOOD, 1848-1850
6. A GALLANT LEADER: PORTRAIT STYLE BANNER MADE FOR THE 1932 PRESIDENTIAL CAMPAIGN OF FRANKLIN DELANO ROOSEVELT
7. CIVIL WAR REGIMENTAL FLAG WITH A DRAMATIC WARTIME EAGLE AND PATRIOTIC TEXT THAT READS: "UNITED WE STAND, DIVIDED WE FALL," HAND-GILDED AND PAINTED ON CORNFLOWER BLUE SILK, 1861-65

EXHIBIT B

DIRECT LENDING INVESTMENTS, LLC - FINE ART PRICE ALLOCATION

March 12, 2020

NO	FLAG NAME	LOCATION	EARLIEST/LATEST DATE OF ORIGIN	HISTORY	DOT818 Offer
1	George & Martha Washington Quilt	Reception	1876	Patriotic Quilt made for the 1876 Centennial Celebration which consists of 2 rare printed cotton textiles of George & Martha. These are flanked above and below by pairs of parade flags that feature the crests and flags of various nations that participated in the Centennial International Exhibition. The six-month long, Worlds Fair event was held in the city of Philadelphia. All of the fabrics used on the front of the quilt would've been available as souvenirs at the expo and it's likely that the maker purchased them there, took them home and proceeded to make this as a memento of her attendance.	\$ 4,473
2	Abraham Lincoln Memorial Banner	Reception	1890/1909	Made in memoriam of the beloved President. Made either during the last decade of the 19th century out of general patriotism, or very likely in 1909 in celebration of the 100 year anniversary of Lincoln's birth.	\$ 6,394
3	Navy Jack with 30 Stars Flag	Brendan's office	1848/1850	Like the British Royal Navy, American vessels flew 3 flags. When at anchor or moored, the Jack is flown at the bow (front), the national flag or "ensign" is flown at the stern (back), and the commission pennant is flown from the main mast. When under way, the Jack is furled and the ensign may be kept in place or shifted to a gaff if the ship is so equipped.	\$ 9,135
4	United We Stand Civil War Regimental Flag	Legal wing entrance	1861/1865	During the Civil War, U.S. Army regulations set forth that an infantry unit would carry 2 flags. These included a national colors, meaning the Stars & Stripes, and a regimental colors, also referred to as a federal standard. This flag is the regimental battle flag of a Civil War Volunteer Unit. This is their own, personalized version of the federal standard and would have been carried alongside their Stars & Stripes.	\$ 37,405
5	Roosevelt Campaign Banner	Legal wing hallway	1932	This campaign banner was produced in 1932 to promote the candidacy of Franklin Delano Roosevelt for President of the United States. The banner was produced by the Sweeny Lithograph Company in Belleville, NJ and is signed in the lower right. An example of the same variety is held in the collection of the Smithsonian and documented in "Threads of History: Americana Recorded on Cloth, 1775 to the Present" by Herbert Ridgeway Collins (Smithsonian Press, 1979), as item #1085 on page 422. Collins served as Curator of Political History at the Smithsonian Institution and his text is widely agreed to be the best available reference of American Political textiles.	\$ 1,319
6	Lincoln & Hamlin Parade Flag	Brendan's office	1860	33 star American Parade flag was made for the 1860 campaign of Abraham Lincoln and Hannibal Hamlin. Great Star designs take on many forms. In this particular example, note that there is a star between each arm of the large star and that there is a triangle of 3 stars in the very center. Among collectors, the Great Star represents the Rolls Royce of geometric star configurations. It is thought to have come about shortly after the War of 1812, when Congressman Peter Wendover of New York requested that Captain Samuel Reid, a War of 1812 naval hero, create a new design that would become the 3rd official format of the Stars & Stripes.	\$ 7,653
7	New York 71st Volunteer Infantry Flag	Brendan's office	1880/1913	35 star parade flag, bears important battle honors of the New York 71st Volunteer Infantry. This is one of only 3 known varieties of parade flags with battle honors printed on them, and thus it is an exceedingly rare example. The flag was most likely made for reunion of the members of the 71st sometime between the 1880's and the 50th anniversary of the Battle of Gettysburg in 1913. The New York 71st Volunteer Infantry was comprised of men and boys from Delaware, Cattaraugus, New York and Ulster counties. The first corps of this group was recruited in Colchester, New York by Captain William H. Elwood, under the command of General George B. Hall. This took place on June 27th, 1861. They proceeded to Staten Island, where they consolidated with a company from Great Valley, NY in the brigade led by General Daniel Stickles. They participated in many important conflicts other than those listed on the flag. When their initial terms of service were up, most men dropped their guns and returned home. Lincoln pleaded with his regiments to remain for an extended term, and the NY 71st Volunteers were among the very few who heeded his call.	\$ 3,620
Total Purchase Price					\$ 70,000