

**THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION REQUIREMENTS THEREOF, INCLUDING REGULATION D PROMULGATED THEREUNDER, AND HAS NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS THEREOF. THE SECURITIES PURCHASED HEREUNDER ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND OTHER APPLICABLE LAWS PURSUANT TO REGISTRATION UNDER OR EXEMPTION FROM REGISTRATION REQUIREMENTS THEREUNDER.**

**THE PURCHASE OF THE SECURITIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.**

### **ACCREDITED INVESTOR SUBSCRIPTION AGREEMENT**

This Subscription Agreement (“Agreement”) is made as of the date set forth on the signature page hereto, by and between American Pacific Bancorp, Inc., a Texas corporation (the “Company”), and the subscriber specified on the signature page hereto (“Subscriber”).

### **RECITALS**

A. The Company is conducting a private offering of 2,500,000 Units, each Units comprised of one common share, par value \$0.01 per share (“Common Share”), and one shares of the Company’s Perpetual Preferred Stock (the “Perpetual Preferred”), at a subscription price of six dollars (\$6.00) per Unit (the “Subscription Price”), pursuant to the terms and subject to the conditions described in the Confidential Private Placement Memorandum, dated \_\_\_\_\_, 2020, as it may be supplemented and amended (the “Memorandum”), which is incorporated into and made part of this Agreement.

B. Subscriber desires to acquire the number of Units Shares as described on the signature page of this Agreement pursuant to the terms and conditions of this Agreement and the Memorandum.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein and other good and valuable consideration, the parties hereto agree as follows:

#### **1. Subscription.**

1.1 Subject to and in accordance with the terms and conditions of this Agreement, the Subscriber hereby irrevocably subscribes for and agrees to purchase at the Subscription Price the number of Units (the “Subscription Units”) for the aggregate Subscription Price (“Purchase Price”) set forth on the Subscriber’s signature page hereto. Such agreement of the Subscriber to purchase the Subscription Units for the Purchase Price is referred to herein as the “Subscription Commitment”. Subscriber acknowledges and agrees that the Company, in its sole discretion, may accept or reject, in whole or in part, the Subscription Commitment for any reason.

1.2 The Company will deliver notice to Subscriber calling for the payment of the Purchase Price

for the Subscription Units (such notice, the “Payment Notice”). Subject to and in accordance with the terms and conditions of this Agreement and the Payment Notice, Subscriber agrees to deliver funds in the amount of the Purchase Price to the Company within seven (7) business days following the delivery of the Payment Notice.

1.3 Subscriber shall purchase the Subscription Units from the Company for cash payable by cashier’s check, wire transfer, or other means acceptable to the Company. Checks should be made payable to “American Pacific Bancorp, Inc.” The Payment Notice will include instructions for delivery of such proceeds to a specified non-interest bearing escrow account at a financial institution set forth in the Payment Notice (the “Escrow Account”). The Company will not pay any interest on the funds it holds.

1.4 Termination. The Company may terminate this Offering for any reason prior to the final closing of this Offering.

1.5 Increase in Maximum Offering Size. The Company reserves the right in its sole discretion to increase the maximum number of Units for sale in this Offering by up to an additional 266,000 Units.

2. Representations and Warranties of the Subscriber. Subscriber hereby represents and warrants to, and agrees with, the Company as follows:

2.1 Authority; Validity. Subscriber has the requisite power, capacity and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by Subscriber and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein have been duly and validly authorized by all necessary actions, corporate or otherwise, in respect thereof. This Agreement constitutes legal, valid and binding obligations of Subscriber, enforceable against it accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or similar laws affecting the enforcement of creditors’ rights generally and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding of law or equity).

2.2 No Conflicts. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by Subscriber do not and will not (a) breach, violate, conflict with or result in a default under any provision of, or constitute an event that, after notice or lapse of time or both, would result in a breach, violation, conflict or default under, or accelerate the performance required under, or result in the termination of or give any person or entity the right to terminate, (i) any material contract to which Subscriber is a party or by which Subscriber’s assets are bound or (ii) any material law, regulation or order binding upon or applicable to Subscriber, (b) violate or conflict with the organizational documents of Subscriber, if Subscriber is an entity other than an individual, or (c) require any approval, consent, compliance, exemption, authorization or other action by, or notice to, or filing with, any governmental body or any other person or entity, or the lapse of any waiting period under any law, except for any approvals, consents or authorizations that have been obtained, actions taken, notices given, or filings made, prior to the execution and delivery hereof.

2.3 Professional Advice. The Company has advised Subscriber to, and Subscriber has obtained, to the extent Subscriber deems necessary, professional legal and tax advice with respect to the risks inherent in the investment in the Subscription Units, the condition and business of the Company, and the suitability of the investment in the Subscription Units in light of Subscriber’s financial condition and investment needs.

2.4 Accreditation. Subscriber has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the transactions contemplated by this Agreement, has the ability to bear the economic risks of the investment and is an “accredited investor” as defined in Rule 501 of Regulation D, promulgated under the Securities Act by virtue of the status of

Subscriber as set forth in Appendix A hereto. Subscriber's principal place of business or, if an individual, principal place of residence is at the address noted on Subscriber's signature page to this Agreement. If other than an individual, Subscriber represents that it has not been organized for the purpose of investing in the Subscription Units.

2.5 Suitability. The investment in the Subscription Units is suitable for Subscriber based upon Subscriber's investment objectives and financial needs, and Subscriber has adequate net worth and means for providing for Subscriber's current financial needs and contingencies and has no need for liquidity of investment with respect to the Subscription Units. Subscriber's overall commitment to investments that are illiquid or not readily marketable is not disproportionate to Subscriber's net worth, and an investment in the Subscription Units will not cause such overall commitment to become excessive. Subscriber acknowledges that the Subscription Units are not deposits or savings accounts and are not insured by the Federal Deposit Insurance Corporation or any other government agency.

2.6 Investment Intent. The Subscription Units to be acquired by Subscriber pursuant to this Agreement are being acquired for Subscriber's own account and with no intention of distributing or reselling such Subscription Units or any part thereof in any transaction that would be in violation of the securities laws of the United States, any state of the United States or any foreign jurisdiction. If Subscriber should in the future decide to dispose of any of such Subscription Units, Subscriber understands and agrees that Subscriber may do so only in compliance with the Certificate of Formation and the Securities Act and applicable federal and state and foreign securities laws, as then applicable and in effect.

2.7 Restricted Securities.

(a) Subscriber understands that (i) the Subscription Units, the Common Shares, and the Perpetual Preferred will not be registered at the time of their issuance under the Securities Act for the reason that the issuance provided for in this Agreement is exempt pursuant to Section 4(a)(2) of the Securities Act, (ii) the reliance of the Company on such exemption is predicated in part on each Subscriber's representations set forth herein, and (iii) such Subscription Units, Common Shares, and Perpetual Preferred must be held indefinitely unless a subsequent disposition thereof is registered under the Securities Act or is exempt from registration. Subscriber acknowledges that the Company has no obligation to register or qualify its Subscription Units, Common Shares, or Perpetual Preferred. Subscriber acknowledges that no public market now exists for its Subscription Shares, Common Shares, and Perpetual Preferred and that the Company has given no assurance that a public market will ever exist. Accordingly, Subscriber must bear the economic and financial risk of an investment in its Subscription Units, Common Shares, and Perpetual Preferred for an indefinite period of time.

(b) Subscriber agrees: (i) that Subscriber will not sell, assign, pledge, give, transfer or otherwise dispose of the Subscription Units, Common Shares, Perpetual Preferred or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Subscription Units, Common Shares or Perpetual Preferred under the Securities Act and all applicable state securities laws, or in a transaction which is exempt from the registration provisions of the Securities Act and all applicable state securities laws; (ii) that the Company and its affiliates shall not be required to give effect to any purported transfer of such Subscription Units, Common Shares and Perpetual Preferred except upon compliance with the foregoing restrictions; and (iii) that each certificate representing the Common Shares and Perpetual Preferred will bear a restrictive legend substantially in the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.”

(c) Subscriber acknowledges that neither the Company nor any other person offered to sell the Subscription Units to it by means of any form of general solicitation or advertising.

2.8 Investigation. Subscriber has received and reviewed the Memorandum. Subscriber has been furnished with or has had access to such documents, materials and information (including the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of the transactions contemplated by this Agreement and Subscriber's investment in the Subscription Units) that Subscriber deems necessary or appropriate for evaluating an investment in the Company, and Subscriber has read carefully such documents, materials and information and understands and has evaluated the types of risks involved with a purchase of the Subscription Units. Subscriber acknowledges that Subscriber is familiar with the business, financial condition and operations of the Company. Except for the representations and warranties contained in this Agreement, Subscriber has not relied upon any representations or other information (whether oral or written) from the Company or its stockholders, directors, officers or affiliates, or from any other person or entity, in connection with its investment in the Subscription Units. Subscriber acknowledges that the Company has not given any assurances with respect to the tax consequences or any other economic considerations associated with the acquisition, ownership or disposition of the Subscription Units. Subscriber understands that no U.S. federal or state agency has passed upon this investment or upon the Company, or upon the accuracy, validity or completeness of any documentation provided to Subscriber in connection with the transactions contemplated by this Agreement, nor has any such agency made any finding or determination as to this investment.

2.9 High Degree of Risk; Ability to Bear Risk. SUBSCRIBER RECOGNIZES THAT AN INVESTMENT IN THE SUBSCRIPTION UNITS INVOLVES A HIGH DEGREE OF RISK. SUBSCRIBER IS IN A FINANCIAL POSITION TO HOLD THE SUBSCRIPTION UNITS, AND IS ABLE TO BEAR THE ECONOMIC RISK AND WITHSTAND A COMPLETE LOSS OF ITS INVESTMENT IN THE SUBSCRIPTION UNITS.

2.10 Additional Risks. Subscriber is aware of and accepts the following specified risks, which risks are not intended by the Company to be exhaustive in any way, and Subscriber acknowledges and agrees it is responsible for evaluating and assessing the risks of its investment in the Subscription Units:

(a) No Operating History. Subscriber acknowledges and agrees that the Company is newly formed and has no operating history, and will, immediately following consummation of the transactions contemplated by this Agreement, hold no assets other than the cash received as a result of the transactions provided for by this Agreement.

(b) Business Plan Risk. There is no assurance that the Company will be successful in the implementation of its business plans for, or will be able to successfully operate any acquisition target.

(c) Regulatory Risk. There is no assurance that the Company will receive regulatory approval to acquire and operate as a bank holding company, or to be allowed to acquire and/or operate either a minority or a controlling interest in any bank or bank holding company.

(d) No Incentives Promised. The Company has not made any promises, orally or in writing, to Subscriber for incentives, including without limitation, options, warrants, restricted stock or other securities, as consideration for the risks associated with Subscriber's subscription for the Common Shares.

3. Indemnification. Subscriber understands the meaning and legal consequences of the representations, warranties and agreements set forth in this Subscription Agreement and agree to indemnify and hold harmless the Company, its officers, directors, employees, agents and controlling persons thereof, past, present or future, from and against any and all liabilities, losses, costs, damages and expenses, including costs and reasonable attorneys' fees, arising out of or related to (i) the resale or other distribution by Subscriber of all or any portion of the Common Share in violation of the Securities Act or of any applicable state securities laws, or (ii) any breach of any of Subscriber's representations, warranties or agreements

contained in this Subscription Agreement or in any other document provided by Subscriber to the Company in connection with Subscriber's investment in the Common Share.

4. Miscellaneous.

4.1 Governing Law; Submission to Jurisdiction. This Agreement shall be construed under and governed by the internal laws of the State of Texas, without giving effect to any conflict of laws provisions (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of Texas in each case located in the city of Houston and County of Harris, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

4.2 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH OF THE PARTIES HERETO HEREBY WAIVES AND COVENANTS THAT NEITHER IT NOR ANY ASSIGNEE OR SUCCESSOR HERETO WILL ASSERT (WHETHER AS A PLAINTIFF, DEFENDANT, OR OTHERWISE) ANY RIGHT TO (I) A JURY TRIAL IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, CAUSE OF ACTION, ACTION, SUIT OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE, OR (II) CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS SECTION 4.2 HAVE BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NONE OF THE PARTIES HERETO HAS AGREED WITH OR REPRESENTED TO ANY OTHER PARTY HERETO THAT THE PROVISIONS OF THIS SECTION 4.2 WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. ANY OF THE PARTIES HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 4.2 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OF THE PARTIES HERETO TO THE WAIVER OF ITS RIGHT TO A JURY TRIAL.

4.3 Attorneys' Fees. If attorneys' fees or other costs are incurred to secure performance of any obligation under this Agreement, to establish damages for the breach thereof or to obtain any other appropriate relief, whether by way of prosecution or defense, the Prevailing Party (defined below) will be entitled to recover reasonable attorneys' fees and costs incurred in connection therewith. A party will be considered the "Prevailing Party" if (a) it initiated the litigation and substantially obtained the relief it sought, either through a judgment or the losing party's voluntary action before trial or judgment, (b) the other party withdraws its action without substantially obtaining the relief the other party sought (except pursuant to a signed settlement agreement), or (c) it did not initiate the litigation and judgment is entered into for any party, but without substantially granting the relief sought by the initiating party or granting more substantial relief to the non-initiating party with respect to any counterclaim asserted by the non-initiating party in connection with such litigation.

4.4 Notices. All notices and other communications under this Agreement must be in writing and will be deemed given (i) when delivered personally, (ii) on the fifth (5<sup>th</sup>) business day after being mailed by certified mail, return receipt requested, (iii) the next business day after delivery to a recognized overnight courier or (iv) upon transmission and confirmation by receipt by a facsimile operator if sent by facsimile, to the parties at the addresses or facsimile numbers set forth immediately beneath their respective names on the signature pages hereto.

4.5 Entire Agreement. This Agreement constitutes the entire agreement of the Company and each Subscriber with respect to the Subscription Units and the other matters herein and supersedes and preempts any prior written, or prior or contemporaneous oral, understandings, agreements or representations by or among any of the parties that may have related to the Subscription Units or the other matters herein.

4.6 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party to this Agreement of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

4.7 Survival and Representations and Warranties. All representations, warranties, covenants and agreements set forth in this Agreement will survive the execution and delivery of this Agreement and the closing and the consummation of the transactions contemplated by this Agreement.

4.8 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, administrators, personal representatives, successors and permitted assigns. Nothing in this Agreement is intended or will be construed to confer on any person or entity other than the parties or their successors and assigns any rights or benefits under this Agreement.

4.9 Assignment. Neither this Agreement, nor any interest of the undersigned herein, shall be assignable or transferable by the undersigned in whole or in part by operation of law or otherwise.

4.10 Further Assurances. The parties hereto will, at their own cost and expense, execute and deliver all such future instruments and take such other and further action as may be reasonably necessary or appropriate to carry out the provisions of this Agreement and the intention of the parties as expressed herein.

4.11 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any applicable law, then the provision will be deemed to be modified to the extent necessary to render it legal, valid and enforceable, and if no such modification will render it legal, valid and enforceable, then this Agreement will be construed as if not containing the provision held to be invalid, and the rights and obligations of the parties will be construed and enforced accordingly.

4.12 Representation of Counsel. Each party to this Agreement has been advised to seek independent legal counsel and has had the opportunity to consult with independent legal counsel in connection with the negotiation and execution of this Agreement and the transactions contemplated hereby.

4.13 Interpretation. The articles and sections contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and will not in any way affect the meaning or interpretation of this Agreement. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by reason of such party having drafted or being deemed to have drafted such provision.

4.14 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or portable document format (.pdf)) for the convenience of the parties hereto, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

*[Signature page to follow]*

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement as of the date set forth below.

**Subscription Commitment:**

Number of Subscription Units: \_\_\_\_\_

Purchase Price: \_\_\_\_\_ (No. of Subscription Units x \$6.00)

TRUST OR OTHER ENTITY  
SUBSCRIBER

INDIVIDUAL SUBSCRIBER  
(and Spouse if Joint Subscriber)

\_\_\_\_\_  
(Name of Entity)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

By: \_\_\_\_\_  
(Signature and Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_, 2020.

\*\*\*\*\*

**ACCEPTANCE OF SUBSCRIPTION**  
**(to be completed by and at the discretion of the Company)**

The foregoing subscription is hereby accepted by the Company on this \_\_\_\_\_ day of \_\_\_\_\_ 2020, with respect to the number of shares of Units indicated below.

AMERICAN PACIFIC BANCORP, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Number of Units: \_\_\_\_\_

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APPENDIX  
A

INVESTOR QUESTIONNAIRE

CONFIDENTIAL

AMERICAN PACIFIC BANCORP, INC.

THE SECURITIES OFFERED HEREBY ARE BEING OFFERED ONLY TO “ACCREDITED INVESTORS,” AS SUCH TERM IS DEFINED IN RULE 501 UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”).

THE SECURITIES OFFERED HEREBY ARE EXTREMELY SPECULATIVE, INVOLVE A HIGH DEGREE OF RISK, AND SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT.

THE UNDERSIGNED IS REPRESENTING AND WARRANTING IN THE ACCOMPANYING SUBSCRIPTION AGREEMENT AND HEREIN THAT HE/SHE/IT IS FINANCIALLY SOPHISTICATED AND THAT THE SECURITIES SUBSCRIBED FOR THEREIN ARE SUITABLE FOR HIM/HER/IT.

DO NOT SUBSCRIBE FOR THE SECURITIES UNLESS YOU BELIEVE THAT YOU ARE SOPHISTICATED AND THAT THE SECURITIES SUBSCRIBED FOR HEREIN ARE SUITABLE FOR YOU.

YOU ACKNOWLEDGE THAT THE REPRESENTATIONS MADE IN THIS CERTIFICATION OF ACCREDITED INVESTOR, INVESTOR QUESTIONNAIRE, AND SELLING STOCKHOLDER QUESTIONNAIRE ARE TRUE, COMPLETE, AND ACCURATE AND THAT YOU HAVE DISCUSSED YOUR FINANCIAL SITUATION WITH YOUR REPRESENTATIVE.

GENERAL INFORMATION

If you would like to invest in the securities issued by the American Pacific Bancorp, Inc. (the “Company”), please complete and return the attached Certification of Accredited Investor, Investor Questionnaire – Account Update, and Selling Stockholder Questionnaire to WestPark Capital, Inc.

Before you invest, please consult with your broker, investment adviser, attorney, accountant or other advisers regarding an investment in the Company and its suitability for you. By signing this form, you are representing and warranting that you have consulted your broker, and your advisors, if applicable, regarding your sophistication, this investment, and its suitability for you and determined that such investment is suitable for

you.

Remember to sign the Company's Subscription Agreement ("Subscription Agreement") along with a copy of all required documents, as set forth herein. If not completed in full, the subscription package may be returned and rejected. You must also initial where indicated, indicating that you have read and understood the disclosures therein.

The Subscription Agreement will be irrevocable by the prospective investor. Unless the Subscription Agreement is rejected or the Offering is withdrawn, the subscriber will become an investor in this Offering. The Company or the Placement Agent may reject subscriptions for failure to conform to the requirements of the Offering, incomplete or illegible documentation, oversubscription of the Offering or any such other reason, whatsoever, as we and the Placement Agent, in our sole discretion, may determine.

## CERTIFICATION OF ACCREDITED INVESTOR

Please complete and return the applicable paperwork based on the registration type below:

- Corporate Account (Domestic)
  - Certification of Accredited Investor
  - Corporate Resolution
  - Investor Information
  - Valid government issued photo ID with signature
  - W9
  
- Corporate Account (International)
  - Certification of Accredited Investor
  - Certification for Non US Person Representations
  - Corporate Minutes in English
  - Corporate Resolution Investor Information
  - Valid passport, including photo and signature
  - W8-BEN
  
- Individual Account (Domestic)
  - Certification of Accredited Investor
  - Investor Information
  - Valid government issued photo ID with signature
  - W9
  
- Individual Account (International)
  - Certification of Accredited Investor
  - Certification for Non US Person Representations Investor Information
  - Valid passport with photo and signature
  - W8-BEN
  
- Individual Retirement Account (IRA)
  - Certification of Accredited Investor
  - Investor Information
  - Valid government issued photo ID with signature
  - W9
  
- Joint Account (2 or more investors)
  - Certification of Accredited Investor
  - Investor Information
  - Valid government issued photo ID with signature
  - W9 for each investor
  
- Trust Account
  - Certification of Accredited Investor
  - Investor Information
  - Trust Agreement, including names of trustees and signature pages
  - Valid government issued photo ID with signature
  - W9

## CERTIFICATION OF ACCREDITED INVESTOR (CON'T.)

I understand that investment in the restricted securities of the Company (“Securities”) is an illiquid investment. In particular, I recognize that I must bear the economic risk of investment in the Securities for an indefinite period of time, since the Securities have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”) and therefore cannot be sold unless either they are subsequently registered under the Securities Act or an exemption from such registration is available and a favorable opinion of counsel for the Company to that effect is obtained (if requested by the Company). I consent to the affixing by the Company of such legends on certificates representing the Securities (or any part thereof) as any applicable federal or state securities law or any securities law of any other applicable jurisdiction may require from time to time.

I represent and warrant to the Company that: (i) the financial information provided in the Certification of Accredited Investor, the Investor Questionnaire, the Selling Stockholder Questionnaire, and the Subscription Agreement is complete, true and correct; (ii) I and my Investment Managers, if any, have carefully reviewed and understand the risks of, and other considerations relating to, a purchase of the Securities; (iii) I and my Investment Managers, if any, have been afforded the opportunity to obtain any information necessary to verify the accuracy of any representations or information provided to me and have had all inquiries to the Company answered, and have been furnished all requested materials, relating to the Company and the offering and sale of the Securities; (iv) neither I nor my Investment Managers, if any, have been furnished any offering literature by the Company or any of its affiliates, associates or agents other than the Offering Materials; (v) I am acquiring the Securities for which I am subscribing for my own account, as principal, for investment and not with a view to the resale or distribution of all or any part of the Securities; (vi) **I am financially sophisticated and have enough business and financial experience to evaluate the merits and risks of an investment in the Company and to protect my interests in the transaction;** and (vii) **I believe that the investment in the Securities is suitable for me.** INITIALS: \_\_\_\_\_

I understand that the purchase price for the Securities does not reimburse me for any costs I have incurred for legal, tax, accounting or financial advice, including fees paid to my purchaser representative, if any.

The undersigned, if a corporation, partnership, trust or other form of legal business entity, (i) is authorized and otherwise duly qualified to purchase and hold the Securities; (ii) has obtained such additional tax and other advice that it has deemed necessary; (iii) has its principal place of business at its address set forth herein; (iv) has not been formed for the specific purpose of acquiring the Securities (although this may not necessarily disqualify the subscriber as a purchaser); (v) has truthfully and accurately disclosed all beneficial owners who, directly or indirectly, control 10% or more of the entity; and (vi) has truthfully and accurately disclosed the names of one or more individuals with managerial control. The person(s) executing the Subscription Agreement, as well as all other Agreements and documents related to the Offering, represent that he/she/they are duly authorized to execute all such Agreements and documents on behalf of the entity. (If the undersigned is one of the aforementioned entities, it agrees to supply any additional written information that may be required.) INITIALS: \_\_\_\_\_

I/we represent and warrant that all of the information which I/we have furnished to the Company and which is set forth in Certification of Accredited Investor, the Investor Questionnaire, the Selling Stockholder Questionnaire, and the Subscription Agreement is true and complete as of the date of thereof. If any material change in this information should occur prior to my/our subscription being accepted, I/we will immediately furnish the revised or corrected information. I/we further agree to be bound by all of the terms and conditions of the Offering described in the Subscription Agreement and the other documents and agreements related thereto. The undersigned is/are the only persons or entities with a direct or indirect interest in the Securities subscribed for by this Subscription Agreement. INITIALS: \_\_\_\_\_

I agree to indemnify and hold harmless the Company and its officers, directors, affiliates, agents, and attorneys, including the Placement Agent and its owners, officers, directors, affiliates, agents, representatives,

employees, independent contractors, and attorneys, from and against all damages, losses, costs and expenses (including reasonable attorneys' fees) that they may incur by reason of (i) the failure of the undersigned to fulfill, or a breach of, any of the terms, conditions, or obligations set forth herein or in the Subscription Agreement or in the Registration Rights Agreement, if applicable; (ii) any breach of the representations and warranties made by the undersigned herein or in the Subscription Agreement, including, but not limited to, the undersigned's representations and warranties that he/she/it is financially sophisticated and that an investment in the Securities is suitable for him/her/it; or (iii) a breach of any agreement provided by the undersigned to the Company. **INITIALS:** \_\_\_\_\_

This subscription is not transferable or assignable by me without the written consent of the Company or as provided in the Subscription Agreement. If more than one person is executing these Offering Materials, the obligations of each shall be joint and several and the representations and warranties contained in the Subscription Agreement, the Certification of Accredited Investor, the Investor Questionnaire, and the Selling Stockholder Questionnaire shall be deemed to be made by, and be binding upon, each of these persons and his or her heirs, executors, administrators, successors and assigns. This subscription, upon acceptance by the Company, shall be binding upon the undersigned's heirs, executors, administrators, successors and assigns. The Certification of Accredited Investor, the Investor Questionnaire, and the Selling Stockholder Questionnaire shall be construed in accordance with and governed in all respects by the laws of the state that is set forth in Subscription Agreement.

#### **INDIVIDUAL and JOINT ACCOUNTS**

I certify that I am an accredited investor by initialing in the applicable space (initial both spaces if both apply):

\_\_\_\_\_ I had an Individual Income\* of more than \$200,000 in the past two full calendar years. I expect to have an Individual Income in excess of \$200,000 in this calendar year; or my spouse and I had Joint Income\* in excess of \$300,000 in the past two full calendar years, and we expect to have a Joint Income in excess of \$300,000 in this calendar year. My/our income(s) last year was/were

\$ \_\_\_\_\_ USD and two years \$ \_\_\_\_\_ USD.  
ago was/were

\_\_\_\_\_ I/We have a total Net Worth\* in excess of \$1,000,000 USD, excluding primary residence.

\* See additional information below.

**Income.** For purposes of this Subscription Agreement, "Individual Income" means "adjusted gross income" as reported for Federal income tax purposes, exclusive of any income attributable to a spouse or to property owned by a spouse:

- (1) the amount of any interest income received which is tax-exempt under Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code")
- (2) the amount of the losses claimed as a limited partner in a limited partnership (as reported on Schedule E of IRS Form 1040)
- (3) any deduction claimed for depletion under Section 611, et seq. of the Code and
- (4) any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of Sections 1202 of the Internal Revenue Code as it was in effect prior to enactment of the Tax Reform Act of 1986.

(Items (1) to (4), inclusive, above is referred to herein as the “**Adjustment Amounts**”)

For purposes of this Certification of Accredited Investor, “Joint Income” means “adjusted gross income” as reported for Federal income tax purposes, including any income attributable to a spouse or to property owned by a spouse, and increased by the Adjustment Amounts, as defined above.

**Net Worth.** For your calculation of Net Worth, *exclude* (i) from your assets the fair market value of your primary residence and (ii) from your liabilities the debt that is secured by your primary residence *up to* the fair market value of the primary residence (i.e., debt secured by your primary residence that exceeds its fair market value must be included as a liability). In any event, if there was any increase in the amount of debt secured by your primary residence within the past 60 days, you are required to include a liability in an amount equal to such increase, unless such increase in debt was incurred in connection with the purchase of your primary residence.

### **CORPORATE ACCOUNT**

Initial applicable space(s) below. See additional information below under DEFINITION OF “ACCREDITED INVESTOR”, on the following page.

\_\_\_\_\_ An employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, provided that the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, and the plan fiduciary is a bank, savings and loan association, insurance company or registered investment adviser; or

\_\_\_\_\_ An employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974 that has total assets in excess of \$5,000,000; or

\_\_\_\_\_ Each of its shareholders, partners, or beneficiaries meets at least one of the conditions described under the above section, INDIVIDUAL AND JOINT ACCOUNTS. Please also initial the appropriate space(s) in that section; or

\_\_\_\_\_ The plan is a self directed employee benefit plan and the investment decision is made solely by a person that meets at least one of the conditions described above under INDIVIDUAL AND JOINT ACCOUNTS. Please also initial the appropriate space in that section; or

\_\_\_\_\_ A corporation, a partnership or a Massachusetts or similar business trust with total assets in excess of \$5,000,000.

### **TRUST ACCOUNT**

\_\_\_\_\_ The trust has total assets in excess of \$5,000,000 and the investment decision has been made by a “sophisticated person;”\*

\_\_\_\_\_ The trustee making the investment decision on its behalf is a bank (as defined in Section 3(a)(2) of the Act), a saving and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, acting in its fiduciary capacity; or

\_\_\_\_\_ The grantor(s) of the trust may revoke the trust at any time and regain title to the trust assets and has (have) retained sole investment control over the assets of the trust and the (each) grantor(s).

## **DEFINITION OF “ACCREDITED INVESTOR”**

The term “accredited investor” means:

A bank as defined in Section 3(a)(2) of the Securities Act, or a 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; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Securities Act; an investment company registered under the Investment Company Act of 1940 (the “**Investment Company Act**”) or a business development company as defined in Section 2(a)(48) of the Investment Company Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; 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 such plan has total assets in excess of US \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 (“**ERISA**”), if the investment decision 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 advisor, or if the employee benefit plan has total assets in excess of US \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

A private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.

An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US \$5,000,000.

A director or executive officer of the Company.

A natural person whose individual net worth or joint net worth with that person’s spouse, at the time of his or her purchase exceeds US \$1,000,000. See Definitions section, above, for additional information.

A natural person who had an individual income in excess of US \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of US \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year. See Definitions section, above, for additional information.

A trust, with total assets in excess of US \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) (i.e., a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment).

An entity in which all of the equity owners are accredited investors. (The Shareholder must identify each equity owner and provide statements signed by each demonstrating how each is qualified as an accredited investor.)

## **INVESTOR QUESTIONNAIRE – ACCOUNT UPDATE**

Subscriber Name: \_\_\_\_\_

If a legal entity,  
Name(s),  
Address(es),  
Domicile(s), and  
Position(s) of All  
Beneficial Owners  
directly or indirectly  
owning 10% or  
more:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

If a legal entity,  
Name(s),  
Address(es),  
Domicile(s), and  
Position(s) of  
individual(s) who  
have managerial  
control:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Subscriber Tax ID: \_\_\_\_\_ Country of Citizenship: \_\_\_\_\_

Investment Amount: \$ \_\_\_\_\_ USD

**Source of Funds for Investment**

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Annuity          | <input type="checkbox"/> Gift               | <input type="checkbox"/> Income from earnings   |
| <input type="checkbox"/> Inheritance      | <input type="checkbox"/> Insurance Proceeds | <input type="checkbox"/> Investment Proceeds    |
| <input type="checkbox"/> Legal Settlement | <input type="checkbox"/> Lottery/Gaming     | <input type="checkbox"/> Pension/IRA/Retirement |
| <input type="checkbox"/> Sale of business | <input type="checkbox"/> Spouse/Parent      | <input type="checkbox"/> Other _____            |

Is this account a private banking account as defined under the USA Patriot Act?  Yes  No

Is this an account for a foreign bank as defined under the USA Patriot Act?  Yes  No

**Contact Information and Domicile** *(This address will be used for mailing unless you indicate otherwise.)*

**Individual**

---

Street Address

---

City, State

Zip Code

---

Home Phone Number

Fax Number

---

E-mail Address

---

Domicile

If less than two years, previous address:

---

Street Address

---

City, State

Zip Code

**Entity**

---

Name of Entity

---

Contact Name

E-mail address

---

Street Address

Suite/Floor

---

City, State

Zip Code

---

Business Phone Number

Fax Number

If less than two years, previous address:

---

Street Address

City, State

Zip Code

**Customer Data**

Annual Income: \$ \_\_\_\_\_ Source of Income: \_\_\_\_\_

Occupation: \_\_\_\_\_ Industry: \_\_\_\_\_

Education: \_\_\_\_\_ If retired, former occupation: \_\_\_\_\_

Employer Name: \_\_\_\_\_ Years Employed: \_\_\_\_\_

Employer Address: \_\_\_\_\_

Employer Telephone Number: \_\_\_\_\_

Marital Status:  S  M  D  DP  W Dependents:  0  1  2  >2

**Investment & Product Experience**

**Current Portfolio**

Alternative Investments	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Annuities	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Bank CDs	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Bonds	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Cash or Cash Equivalent	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Hedge Funds	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Margin	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Mutual Funds-Exchange Traded	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Options	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Private Placements	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Real Estate	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____
Stocks	<input type="checkbox"/> None	<input type="checkbox"/> < 2 years	<input type="checkbox"/> 2 – 5 years	<input type="checkbox"/> > 5 years	\$ _____

years      years      years

**Liquid Net Worth**

- <\$50,000       \$50,001 - \$100,000       \$100,001 - \$250,000       \$250,001 - \$500,000  
 \$500,001 - \$750,000       \$750,001 - \$1,000,000       \$1,000,001 - \$2,500,000       \$2,500,001 - \$5,000,000  
 \$5,000,001 - \$7,500,000       >\$7,500,001

**Net Worth (excluding primary residence)**

- <\$50,000       \$50,001 - \$100,000       \$100,001 - \$250,000       \$250,001 - \$500,000  
 \$500,001 - \$750,000       \$750,001 - \$1,000,000       \$1,000,001 - \$2,500,000       \$2,500,001 - \$5,000,000  
 \$5,000,001 - \$7,500,000       >\$7,500,001

**Annual Expenses (recurring)**

- \$50,000 and under       \$50,001 - \$100,000       \$100,001 - \$250,000       \$250,001 - \$500,000

**Special Expenses (Future, non-recurring)**

- None       \$50,000 and under       \$50,001 - \$100,000       \$100,001 - \$250,000

**Timeframe for Special Expenses**

- Within 1 year       2 – 3 years       3 – 5 years       6 – 8 years       > 8 years       None

Are you or anyone with an interest in this account either: (1) a senior military, governmental, or political official in a non-US country, or (2) closely associated with an immediate family member of such an official?

Yes     No    If yes, identify the name of the official, office held, and country

\_\_\_\_\_

**Number of Years as a Customer of WestPark Capital, Inc.**

\_\_\_\_\_

**Broker-Dealer Affiliations**

Are you an employee of WestPark Capital, Inc.?       Yes     No

Are you related to an employee of WestPark Capital, Inc.       Yes     No      If yes, specify relationship to the employer

\_\_\_\_\_

Are you an employee of another financial institution?       Yes     No      If yes, name of the financial institution

Are you related to an employee of another       Yes     No      If yes, specify relationship to the

\_\_\_\_\_

financial institution?

employee

Are you maintaining other brokerage accounts?  Yes  No

\_\_\_\_\_  
If yes, specify financial institution

Are you or any member of your immediate family affiliated with or employed by a member a stock exchange or the Financial Industry Regulatory Authority?

Yes  No If yes, employer authorization is required

Are you a senior officer, director, or 10% or more shareholder of a public company?

Yes  No I

If yes, specify company(ies):

\_\_\_\_\_

## **APPENDIX B**

### **FEDERAL INCOME TAX BACKUP WITHHOLDING**

In order to prevent the application of federal income tax backup withholding, each subscriber must provide the Company with a correct Taxpayer Identification Number (“TIN”). An individual’s social security number is Subscriber’s TIN. The TIN should be provided in the space provided in the Substitute Form W-9 below.

Under federal income tax law, any person who is required to furnish Subscriber’s correct TIN to another person, and who fails to comply with such requirements, may be subject to a \$50 penalty imposed by the IRS.

Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the IRS. Certain taxpayers, including all corporations, are not subject to these backup withholding and reporting requirements.

If the shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future, “Applied For” should be written in the space provided for the TIN on the Substitute Form W-9.