

**NOTICE OF PUBLIC DISPOSITION OF COLLATERAL
UNDER NEW YORK UNIFORM COMMERCIAL CODE**

May 6, 2022

To: (a) Centurion Funding SPV II, LLC
301 Yamato Road
Boca Raton, Florida 33431

(b) The parties listed on Exhibit A¹

From: Teleios LS Holdings V DE, LLC
c/o Oaktree Capital Management L.P.
333 S. Grand Ave., 28th Floor
Los Angeles, California 90071

Teleios LS Holdings IV DE, LLC
c/o Oaktree Capital Management L.P.
333 S. Grand Ave., 28th Floor
Los Angeles, California 90071

Name of Debtor: Centurion Funding SPV II, LLC

Names of Secured Parties:² Teleios LS Holdings V DE, LLC
Teleios LS Holdings IV DE, LLC

PLEASE TAKE NOTICE that, pursuant to Section 9-610 of the New York Uniform Commercial Code and

- (i) that certain Credit Agreement entered into as of December 14, 2018 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the “Credit Agreement”) by and among Centurion Funding SPV II, LLC (the “Borrower”), and Teleios LS Holdings V DE, LLC (the “Lender”),
- (ii) that certain Pledge and Security Agreement entered into as of December 14, 2018 (the “Pledge and Security Agreement”), by and between the Borrower, as Grantor, and the Lender, as Secured Party,
- (iii) that certain Preferred Units Purchase Agreement dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the “Preferred Units Agreement”) by and among the Borrower,

¹ This Notice is intended to comply with the procedural requirements of the New York Uniform Commercial Code (the “NYUCC”) § 9-601 et seq. Nothing herein shall be deemed an admission that the Secured Parties (as defined herein) are required under the NYUCC, or otherwise, to provide notification of disposition to the parties receiving this Notice.

² As used herein, Secured Party shall include such party’s successors and permitted assigns under the Credit Agreement, the Pledge and Security Agreement, the Preferred Units Agreement, the Subordinated Pledge and Security Agreement or the Control Agreement (each as defined below), as applicable.

- as Purchaser, and Teleios LS Holdings IV DE, LLC (the “Preferred Units Holder,” and, together with the Lender, the “Secured Parties”),
- (iv) that certain Subordinated Pledge and Security Agreement entered into as of December 14, 2018 (the “Subordinated Pledge and Security Agreement”), by and between the Borrower, as Grantor, and the Preferred Units Holder, as Secured Party,
 - (v) that certain Securities Account Control and Custodian Agreement entered into as of December 14, 2018 (the “Control Agreement”), by and among the Borrower, as Account Holder, Wells Fargo Bank, N.A., a national banking association, not in its individual capacity, but solely as Securities Intermediary, the Lender and the Preferred Units Holder, and
 - (vi) that certain *Order Granting Corporate Monitor, Daniel J. Stermer’s Motion for Entry of an Order Approving (I) a Marketing Process to Refinance Existing Secured Debt Obligation or Sell Assets, (II) Bid Procedures, (III) the Retention of Maple Life Analytics, LLC and (IV) the Agreement with Teleios, Including Authorizing Teleios (A) to Commence a Public Foreclosure Process, and (B) to Exercise Certain Remedies* dated April 22, 2022, entered In the Circuit Court of the Fifteenth Judicial Circuit In and For Palm Beach County, Florida, Civil Division (the “Monitor Approval Order”) pursuant to which, among other things, the Secured Parties are authorized to exercise their rights under the Loan Documents, including the Pledge and Security Agreement and the Preferred Units Documents, including the Subordinated Pledge and Security Agreement, including without limitation commence a public foreclosure process and consummate a public sale of the Collateral pursuant to such process,

the Secured Parties will sell all of their rights, title, and interests in and to all of the Collateral (as defined in Section 2.1 of the Pledge and Security Agreement and Section 2.1 of the Subordinated Pledge and Security Agreement). The Collateral consists of all personal property of the Borrower, including: Policies and Security Entitlements thereof; Policy Documents and Policy Files; Accounts; Chattel Paper; Commercial Tort Claims; Deposit Accounts, Securities Accounts and Commodity Accounts, including, without limitation, all Collection Accounts, Disbursement Accounts, Operating Accounts, Payment Accounts, Reserve Accounts, and Grantor Securities Accounts; Documents; General Intangibles; Goods; Instruments; Investment Related Property; Letter of Credit Rights; Money; Fixtures; Intellectual Property; Material Agreements; Vehicles; to the extent not covered by the above, all Collateral Records, Collateral Support, and Supporting Obligations relating to any of the foregoing; and, to the extent not included above, all accessions to, substitutions for, and all replacements, products, and Proceeds of the foregoing, including Proceeds of and unearned premiums with respect to insurance policies, and claims against any Person for loss, damage, or destruction of any Collateral.³ The Secured Parties are not purporting to sell any interest in any asset that is not (i) owned by the Borrower; or (ii) subject to a lien in favor of the Secured Parties. The Collateral secures the prompt and complete payment and performance of the Secured Obligations of the Borrower to the Secured Parties pursuant to the Credit Agreement and Preferred Units Agreement.

³ Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to those terms in the applicable Loan Document and Preferred Units Documents (each as defined below).

Subject to all the terms of this Notice, the Collateral will be sold to the highest bidder at a public auction. The public auction (the “Auction”) shall take place virtually on Zoom or a similar online platform and will not be in-person on **June 2, 2022, at 10:00 a.m.** (prevailing Eastern Time), unless otherwise adjourned by the Secured Parties. Please contact Elysa Chew at the address below if you would like additional information concerning the Collateral or the public sale herein described. The Auction will be conducted on such terms and conditions as determined by the Secured Parties and announced to bidders in advance of or at the Auction.

The Secured Parties reserve the right to adjourn the Auction to such time and place as the Secured Parties, in their sole discretion, may deem fit, or to cancel the Auction in its entirety, without notice to the Borrower or any other party. The terms of sale set forth in this Notice may be subject to additional or amended terms to be announced at the time thereof.

To submit a qualified bid (a “Qualified Bid”), a bid must conform to the following: (i) such bid must be received no later than **5:00 p.m.** (prevailing Eastern Time), on **May 27, 2022**; (ii) the purchase price must be payable in full, in cash, at the closing and not subject to any financing contingency; (iii) the bid may not be subject to any diligence contingency; and (iv) all bidders must submit the bid in the form of an executed asset purchase agreement reasonably acceptable to the Lender; and (v) such bid must include a cash deposit in immediately available funds of not less than 10% of the proposed cash consideration. The Secured Parties reserve the right to modify or waive the foregoing Qualified Bid requirements in their sole discretion.

As of March 1, 2022, the amount of outstanding obligations under the Credit Agreement was not less than \$33,258,296.36 plus all other accrued and accruing unpaid Obligations (as defined in the Credit Agreement) thereunder, including, collectively, all loans, advances, debts, liabilities, principal, interest (including interest which continues to accrue at the default rate), fees, charges, costs, expenses (including legal fees and expenses), and obligations for the performance of covenants, tasks, or duties or for the payment of monetary amounts owing to the Lender by the Loan Parties, of any kind or nature, whether or not evidenced by any note, agreement, or other instrument. As of March 1, 2022, the aggregate value of all outstanding Preferred Units was \$10,423,523.00, which amount includes the outstanding aggregate Mandatory Full Redemption Payments. The Secured Parties reserve the right to credit bid at the Auction on behalf of themselves any of the amounts owing under the Loan Documents and Preferred Units Documents. In the event the Lender and the Preferred Unit Holder are the successful bidder at the Auction, the Secured Parties shall apply the amount of its bid as a credit to the indebtedness of the Borrower under the Credit Agreement and Preferred Units Agreement.

The Collateral will be transferred to the successful bidder by way of a bill (or bills) of sale satisfactory to the Secured Parties in their sole discretion.

THE COLLATERAL WILL BE SOLD BY THE SECURED PARTIES ON AN AS-IS, WHERE-IS BASIS, WITHOUT RECOURSE, REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESSED OR IMPLIED, AND WITHOUT ANY WARRANTY RELATING TO TITLE, POSSESSION, QUIET ENJOYMENT, OR THE LIKE IN THE SALE EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THE ASSET PURCHASE AGREEMENT.

Persons wishing to inspect the Credit Agreement, the Pledge and Security Agreement, the Preferred Units Agreement, the Subordinated Pledge and Security Agreement, the Control Agreement and desiring other information, may contact counsel for the Secured Parties, Attention: Elysa Chew, 35 W. Wacker Drive, Chicago, Illinois 60601, Telephone No.: (312) 558-5618, Email: echew@winston.com.

The Secured Parties reserve all of their rights against the Borrower and Guarantor for any and all deficiencies on the indebtedness remaining due to them after the Auction, subject to the Monitor Approval Order.

To the extent that the Auction generates proceeds in excess of the Secured Obligations to the Secured Parties under the Credit Agreement and the Preferred Units Agreement, as and to the extent set forth in the Monitor Approval Order, such excess proceeds will be remitted to the Borrower in accordance with Section 9-615 of the New York Uniform Commercial Code. The Borrower, at any time after receipt of this notice and prior to consummation of the Auction, may request at its expense an accounting from the Secured Parties of the unpaid obligations secured by the Collateral under the Credit Agreement and Preferred Units Agreement.

Nothing contained herein, or any action or inaction by the Secured Parties, shall be construed as a waiver, modification, or limitation of any of the Loan Documents or Preferred Units Documents or as a waiver, modification, or limitation of any such indebtedness or obligations, the other security therefor, any delinquency, breach, Default or Event of Default under the Loan Documents or Preferred Units Documents (including, without limitation, any Default or Event of Default, actual or potential, described in this or any prior notice) or as a waiver, modification, or limitation of any of the Secured Parties' rights, powers or remedies, at law, in equity, or under the Loan Documents or Preferred Units Documents, or otherwise all of which are hereby expressly reserved. The Secured Parties may exercise such rights, powers, and remedies at any time, with or without prior or additional notice to the Borrower or the Guarantor, in the Secured Parties' sole and absolute discretion and judgment. Notwithstanding anything herein to the contrary, the Credit Agreement and each of the other Loan Documents, and the Preferred Units Agreement and each of the other Preferred Units Documents, shall remain in full force and effect in accordance with their respective terms.


[Signature Page Follows]

Dated: May 6, 2022

TELEIOS HOLDINGS V DE, LLC, as
Lender

By: 
Name: Justin Finemel
Title: Authorized Signatory

TELEIOS HOLDINGS IV DE, LLC as
Preferred Units Holder

By: 
Name: Justin Finemel
Title: Authorized Signatory

cc (via email):
Carey D. Schreiber
Winston & Strawn LLP
200 Park Avenue
New York, NY 10166
cschreiber@winston.com

EXHIBIT A

Additional Addressees⁴

Pelican Capital Management, LLC
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Naples, Florida 34110

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Counsel for Prime Short Term Credit, Inc.

⁴ Nothing herein shall be deemed an admission that the Secured Parties are required under the NYUCC, or otherwise, to provide notification of disposition to the parties receiving this notice.