YS ALTNOTES I LLC SERIES NOTE SUPPLEMENT
BORROWER PAYMENT DEPENDENT NOTES SERIES NO. YS RAIS PBC III

$18,795,797.17 Notes
Maturity Date 5/19/2021

Rate: 9% Annualized

TRANSACTION

Overview:

YS RAIS PBC III LLC ("YS SPV") has funded into a master participation agreement with a bankruptcy remote special purpose entity ("Purchaser SPV") affiliated with Raistone Capital ("Originator and Servicer") or $18.8MM of a supply chain financing program ("Facility") for the Suppliers to a multi-billion dollar revenue conglomerate of leading manufacturers and distributors for the global consumer goods industry providing thousands of SKUs (the "Conglomerate"). The Purchaser SPV has entered into accounts receivable purchase agreements with various Suppliers of the Conglomerate and its subsidiaries.

YS SPV has purchased from Purchaser SPV a 100% participation interest in 447 invoices from a group of consumer goods industry Suppliers (the "Suppliers", each a "Supplier") with a face amount (par value) of $19.8MM for the discounted price of $18.8MM. The Originator facilitated Yieldstreet's purchase of a 100% participation interest in the specific invoices from the Supplier which collectively established this pool of investable accounts receivable assets. The accounts receivable, due from the Conglomerate, are acquired assets purchased at a discount from the Suppliers. Repayment of the full amount due per invoice(s), to the Purchaser SPV is expected to occur in 176 days from each purchase or 5/19/21.

All Supplier invoices were approved by the Conglomerate before the funding to become eligible for financing under the Facility. In addition, the Conglomerate provided an Irrevocable Payment Undertaking ("IPU") to the Purchaser SPV which obligates the Conglomerate to remit full payment to the Purchaser SPV in 176 days from the purchase date. The IPU is fixed in amount, date without any setoff, counterclaim or deduction. The Suppliers have been participating in supply chain finance programs with the Conglomerate for more than a year with no defaults.

The total amount of this offering is $18.8MM which includes $73K of upfront fees paid to YieldStreet Inc. Yieldstreet investors are scheduled to receive principal and interest payments at an annualized rate of 9.0% on 5/19/2021 after Yieldstreet management fee of 1.0% and upfront fee of $73K. It is important to note, Yieldstreet investors will get the pro rata share of payments from the inception of their investment date. Please refer to Structure section for further details.

Full Payment Amount Due from Conglomerate	$ (Par Value)	%
Yieldstreet	$19,810,770.22	100.0%
Total	$19,810,770.22	100.0%

Sources	$	%		Uses	$	%
Yieldstreet Funded	$18,795,797.17	100.0%		Accounts receivable Purchase	$18,722,687.05	99.6%
				YieldStreet Inc. Upfront Fee	$73,110.12	0.4%
Total	$18,795,797.17	100.0%		Total Funded	$18,795,797.17	100.0%

Distribution

YS SPV was established for this investment and is a fund managed by YieldStreet Management, LLC, an SEC-registered investment advisor ("Manager"). The Manager has advised YS SPV to participate in the Facility through the purchase of a participation interest which represents YS SPV's sole asset. Yieldstreet investors have an opportunity to purchase borrower payment dependent notes ("Notes") issued by the YS SPV's parent and thus indirectly participate economically in the Facility.

This Series Note Supplement describes the underlying transaction as well as this series of Notes offered for sale by YS ALTNOTES I LLC ("Issuer") and the corresponding Facility with respect to such Notes. The use of Notes helps Yieldstreet to structure transactions more efficiently by allowing for a greater number of investors in a given transaction and lower minimum investment amounts. For more information please refer to the comprehensive Private Placement Memorandum available for download at the time of investment. The Notes issued by the Issuer in which investors are investing will have the following terms as set forth in the Form of Note attached to the Indenture:

- Corresponding Asset (upon which the Notes are dependent for payment): Participation Interest in the Facility
- Maximum Aggregate Principal Amount of this Series of Notes: $18,795,797.17
- Stated Maturity Date: 5/19/2021
- Annualized Interest Rate: 9.0%

Each Note will bear yield from the date of issuance. All Notes issued under this series will be pari-passu regardless of when an investor purchases their Note. All Notes will be dependent on payment under the Facility and the Stated Maturity was established to ensure the Notes encompassed the entire term of the underlying transaction.

The Manager anticipates that it will offer a range of incentives from $100 to $500 based on a number of factors including but not limited to: (i) whether this offering has not been fully allocated and remains open after a certain amount of time (approximately 60-90 days), (ii) an investor's investment exceeding a certain amount (approximately $150k-250k) and (iii) an investor making an investment for the first time. Incentives are expected to fall in the lower end of the range if they are offered because the deal has not been fully allocated, and the higher end of the range if they are offered based on the amount of an investor's investment. Please also be aware that the Manager has offered and plans on offering promotions and incentives to investors. Investors who have received or will receive these promotions or incentives may invest in this offering, even if such promotions or incentives were not available to all investors at the time of their investment. No investor will be automatically entitled to a promotion or incentive based on the foregoing.

Structure:

<u>Supply Chain Finance</u>

Supply chain finance (SCF) is a financing solution that optimizes cash flow by allowing the Conglomerate to lengthen the payment terms of their trade payables while providing the option for their suppliers to get paid early on their accounts receivable. This financing provides optimization of working capital to the Conglomerate and cash flow to the Supplier, minimizing risk across the supply chain. It is important to note that SCF is not considered financial debt and is an extension of the Conglomerate's accounts payable. For the Supplier, it represents a true sale of their accounts receivable due from the Conglomerate. The Conglomerate agreed to make an irrevocable date-certain, amount-certain payment into a dedicated collection account at the Purchaser SPV upon the Purchaser SPV's acceptance of the offer from the Suppliers to sell their accounts receivable. The Purchaser SPV pays the Suppliers a discounted amount for their accounts receivable approved by the Conglomerate under the IPU, and the Conglomerate pays the full value of the accounts receivable to the Purchaser SPV on the due date.

YS SPV purchased a 100% participation in accounts receivable from Purchaser SPV, backed by the IPU from the Conglomerate and the associated accounts receivable. It is important to note that YS SPV has an unsecured claim against the Conglomerate for payment. Under a Chapter 7 bankruptcy scenario where the Conglomerate is liquidating all of its assets, Yieldstreet investors may receive payments after all secured debt service payments are made. However, in addition to the Conglomerate's obligations under the IPU, Yieldstreet expects these trade payments to be made when due because the Conglomerate's trade relationships with Suppliers are essential to running day-to-day operations for the Conglomerate.

<u>Yieldstreet Investors</u>

Yieldstreet investors are scheduled to receive principal and interest payments at an annualized rate of 9.0% on 5/19/2021, after YieldStreet Inc. receiving a management fee of 1.0% and upfront fee of $73K. It is important to note, Yieldstreet investors will get the pro rata share of payments from the inception of their investment date. Principal and interest payments are expected to be paid at maturity with no incremental payments during the term of the Facility.

Additional Considerations

- The Conglomerate has provided an Irrevocable Payment Undertaking which obligates the Conglomerate to make payment to the Purchaser SPV and ultimately to YS SPV on the maturity date. The IPU is fixed in amount, US currency and on a date certain paid without any setoff, counterclaim or deduction.
- All Supplier accounts receivable are approved by the Conglomerate before each draw in order to be eligible for financing under the Facility.

Composition:

The primary source of repayment is through the Conglomerate's ability to generate cash flow to pay its trade payables, under the Irrevocable Payment Undertaking. As a supplementary protection, the Purchaser SPV has filed a UCC financing statement on the purchased accounts receivable ("Portfolio") it acquired as part of the supply chain financing transaction. The Portfolio consists of 447 accounts receivable from a group of the Conglomerate's Suppliers. Each Supplier agrees the Conglomerate will issue the payment obligation in return for a discounted payment to the Supplier by the Purchaser SPV and agrees to sell the accounts receivable to the Purchaser SPV contemporaneously upon receipt of the discounted payment from the Purchaser SPV. Total gross amount of the Portfolio is $19.8MM. YS SPV, through participation, has acquired the Portfolio at the discounted amount of $18.8MM.

Suppliers:

The Facility is funding the accounts receivable for the Suppliers, allowing them to be paid earlier than they otherwise would be under their payment terms with the Conglomerate. The Suppliers are both domestic and international and their materials are shipped through multiple modes of transportation to the Conglomerate's domestic and international distribution centers and manufacturing facilities. The Purchaser SPV has entered into a Receivable Purchase Agreement (RPA) with each individual program Supplier prior to any invoice purchase occurring within the Facility. The Purchaser SPV has filed a UCC financing statement on the purchased trade accounts receivable ("Portfolio") it acquired from the Suppliers as part of the supply chain financing transaction.

Conglomerate:

The Conglomerate is a multi-billion-dollar revenue, US-based conglomerate of manufacturers and distributors of consumer goods. The Conglomerate has built and sustained decades-long relationships with its customers and Suppliers. The Conglomerate procures materials from its Suppliers and manufactures consumer goods (thousands of SKUs) sold to its customers across the country and internationally. The Conglomerate's Suppliers include both domestic and international Suppliers and the materials are shipped through multiple modes of transportation. The Conglomerate has multiple domestic and international distribution centers and manufacturing facilities.

The Conglomerate is a multi-billion-dollar revenue business with an EBITDA margin of more than 10% in FY 2019. The most recent rating on the Conglomerate from one of the nationally recognized statistical rating agencies is B-/B3 equivalent (graded stable). The B-/B3 rating with a stable outlook reflects the rating agency's expectation for the Conglomerate to maintain margins in excess of 10% reinforced by ongoing cost reduction activities, modest leverage with debt/EBITDA sustained under 6x and solid free cash flow to generate sufficient liquidity to support its operations.

APPENDIX

Exhibit A - Certain Flat Expenses Allocated to Investors

In accordance with the Indenture (defined below), investors will be allocated a flat amount for the first calendar year and a different flat amount for each subsequent calendar year, intended to cover, inter alia, the following annual and/or one-time expenses: (A) mandated expenses required by the SEC such as Form D filings, (B) State blue sky filings, (C) out-of-pocket legal fees and expenses, if any, incurred to structure and document any SPV loan or participation, (D) SPV annual Delaware franchise and registered agent fees, (E) the Trustee's annual fees and other fees associated therewith and (F) annual audit fees and costs associated with preparation of the Issuer's and SPV's annual tax returns.

The flat expense allocations per investor ("Flat Expenses") will be $35 per participating investor for this offering.

The Flat Expenses will reduce the interest payments made to investors on their Notes.

Exhibit B – Statement of Confidentiality

This Confidential Series Note Supplement (this "Series Note Supplement") was prepared by YS ALTNOTES I LLC (the "Issuer") solely for informational purposes, from materials and information supplied by Raistone, the Originator. This Series Note Supplement is furnished through the Platform operated by YieldStreet Inc. (the "Platform Operator") solely for use by prospective investors considering purchasing borrower payment dependent notes (the "Notes") in the Issuer. Except as may be required by applicable law, this Series Note Supplement may not be used by you for any other purpose, nor may it be reproduced or distributed, nor may its contents be disclosed, to persons who are not directly involved with your evaluation of your investment, without our prior written consent. Your acceptance and review of this Series Note Supplement shall constitute your acceptance and acknowledgement to the foregoing, and your agreement to ensure that any person with whom you share any portion of this Series Notes Supplement does not do, or omit to do anything which, if done or omitted to be done by you, would constitute a breach of your obligations hereunder.

The information contained herein was prepared to assist interested parties in making their own evaluation of purchasing Notes issued by the Issuer and does not purport to be all-inclusive or to contain all of the information that may be required to evaluate a purchase of the Notes. In all cases, interested parties should conduct their own investigation and analysis of the Issuer and the data set forth in this Series Note Supplement and supplementary documents available on the YieldStreet Platform, including the Private Placement Memorandum dated February 10, 2020 and the Amended and Restated Borrower Payment Dependent Notes Indenture dated February 10, 2020 between the Issuer and Delaware Trust Company, as Trustee. The Platform Operator, the Issuer, and YieldStreet Management, LLC as manager ("Manager") of the Issuer, expressly disclaim any and all liability for any representations (whether expressed or implied) contained in, or any omissions from, this Series Note Supplement or any other written or oral communication transmitted to prospective investors in the course of such prospective investor's evaluation of its purchase of Notes issued by the Issuer.

Exhibit C - Risk Factors

RISK FACTORS ASSOCIATED WITH FINANCING CONSUMER GOODS COMPANIES GENERALLY AND THIS INVESTMENT

The COVID-19 pandemic has disrupted, and may continue to disrupt, the consumer goods industry, which may have a material adverse impact on the Conglomerate's results of operations and financial condition.

The COVID-19 pandemic has caused a widespread health crisis, resulting in an economic downturn and government-imposed measures to reduce the spread of the virus. The impact of COVID-19 and uncertainty with respect to the economic effects of the pandemic has added to volatility in the financial markets and has had an adverse effect on the consumer goods industry. Specific risks to the Conglomerate associated with the COVID-19 pandemic include the following:

- reductions in demand for consumer goods, due to lower consumer confidence, may decrease demand for the Conglomerate's goods
- disruptions to the Conglomerate's supply chain in connection with the sourcing of materials and equipment,
- negative impacts to the Conglomerate's operations, including reductions in production levels and increased costs, resulting from the Conglomerate's efforts to mitigate the impact of COVID-19 and to protect the Conglomerate's employees' health and well-being,
- closures of the Conglomerate's customers' facilities or the Conglomerate's facilities.

The ultimate impact that COVID-19 will have on the Conglomerate's business, results of operations and financial condition will depend on a number of evolving factors that the Conglomerate may not be able to accurately predict, including: the duration and scope of the pandemic; governmental, Suppliers', customers' and individuals' actions that have been and continue to be taken in response to the pandemic and the impact of the pandemic on economic activity and actions taken in response to such impact by the customers, Suppliers and consumers.

The Conglomerate imports materials from foreign suppliers and results of operations and financial condition may be adversely affected by global economic conditions.

The Conglomerate imports many materials needed to manufacture its goods from foreign Suppliers, including Suppliers located in China. As a result, various conditions could impact or interfere with the Conglomerate's ability to obtain materials needed to manufacture goods, such as (a) political, social and economic instability and the risk of war or other international incidents; (b) continued weakness in the global economy, including the potential for a prolonged global economic recession and high unemployment; (c) fluctuations in foreign currency exchange rates that may increase product cost; (d) tariffs and protectionist laws and business practices that favor local businesses; (e) difficulties in complying with import and export laws, regulatory requirements and restrictions; (f) natural disasters and public health emergencies; (g) import shipping delays resulting from foreign or domestic labor shortages, slowdowns, or stoppage; and (h) a global increase in commodity prices. The occurrence of any of these conditions may materially and adversely affect the Conglomerate's results of operations and financial condition.

Operations would be materially and adversely affected if the Conglomerate is unable to purchase manufactured components or equipment from its Suppliers.

Because the Conglomerate purchases various types of materials from Suppliers, the Conglomerate may be materially and adversely affected by the failure of those Suppliers to perform as expected. This non-performance may consist of delivery delays or failures caused by production issues or delivery of non-conforming goods. The risk of non-performance may also result from the insolvency or bankruptcy of one or more of the Conglomerate's Suppliers. Suppliers' ability to supply products to the Conglomerate's is also subject to a number of risks, including availability and cost of raw materials, destruction of their facilities, or work stoppages

The Conglomerate depends on third-party delivery services to deliver its goods to customers on a timely and consistent basis, and any deterioration in its relationship with these third parties or fee increases could adversely affect its reputation and financial condition.

The Conglomerate relies on third parties for shipment of its goods to customers. The Conglomerate cannot be certain that its existing arrangements with third party shippers will continue on favorable terms. Shipping costs have increased from time to time, and may continue to increase, and the Conglomerate may not be able to pass these costs on directly to its customers. Increased shipping costs could harm the Conglomerate's business, prospects, financial condition and results of operations by increasing its costs of doing business and reducing gross margins which could negatively affect its operating results.

If the Conglomerate is unable to manage the challenges associated with its international operations, the growth of its business could be limited and its business could suffer.

The Conglomerate maintains business operations outside of the United States and is subject to a number of risks and challenges that specifically relate to its international operations. If the Conglomerate is unable to meet and overcome these challenges, the growth of its business and operating results could be adversely impacted. These risks and challenges include (a) exposure to local economic and political conditions and instability; (b) social unrest such as risks of terrorism or other hostilities; (c) currency exchange rate fluctuations, including relative weakness in the U.S. dollar, and currency controls; (d) export and import restrictions; (e) the potential for shortages of trained labor; (f) difficulties and costs of staffing and managing foreign operations; (g) restrictions imposed by local labor practices and laws on business and operations; (h) exposure to different business practices and legal standards; (i) unexpected changes in regulatory requirements; (j) the imposition of government controls and restrictions; (k) the failure of telecommunications and connectivity infrastructure; and (l) natural disasters and public health emergencies; potentially adverse tax consequences. The likelihood of such occurrences and their potential effect on the Conglomerate is unpredictable and vary from country to country. Any such occurrences could be harmful to the Conglomerate's business and financial results.

Severe weather, natural disasters and other disruptions could adversely impact the Conglomerate's operations at its manufacturing and distribution facilities.

Severe weather conditions and natural disasters, such as hurricanes, floods and tornados, could damage the Conglomerate's properties and effect its operations, particularly at major manufacturing and distribution facilities. In addition, its business and operations could be materially adversely affected in the event of other serious disruptions at these facilities due to fire, electrical blackouts, power losses, telecommunications failures, terrorist attack or similar events. Any of these occurrences could impair its ability to adequately manufacture or supply customers due to all or a significant portion of equipment or inventory being damaged.

If the Conglomerate is not able to integrate acquisitions, the Conglomerate's operating results could suffer.

The Conglomerate has grown organically and through acquisition. The Conglomerate may experience difficulty integrating personnel and operations from acquired businesses, which could negatively affect operating results. In addition, integration activities could cause a substantial diversion of management's attention and may require a substantial amount of time and resources to complete. If the integration of an acquisition is not successful, then the Conglomerate may not realize the anticipated synergies and business and results of operations could suffer.

The Conglomerate's success is reliant on the efforts of the chief executive officer and the senior leadership team.

The success of the Conglomerate is largely dependent upon the CEO and his leadership team's management skills and expertise, and the Conglomerate's ability to attract and retain other skilled managers. The loss of the services of the CEO or any of the senior leadership team for an extended period could have a material adverse effect on the Conglomerate's business.

Economic conditions may have an adverse effect on the demand for consumer goods and could adversely affect the Conglomerate's sales and operating results.

Demand for the Conglomerate's goods may be adversely affected by general economic conditions. In declining economies, consumers may forgo purchases of consumer goods. A material consumption decrease could cause a decline in the Conglomerate's business and financial condition.

Liquidity Risks

Risk of an increase in the LIBOR benchmark rate or default under existing credit facilities could negatively impact the Conglomerate's cashflow or business.

The Conglomerate has outstanding debt owed to various financial institutions. Interest rates under the loan agreements are based on the LIBOR benchmark rate. Any significant increase in the benchmark rate could adversely impact the Conglomerate's ability to service its debt and its financial condition, results of operations and cash flows.

If the Conglomerate defaults on any of its indebtedness, its business could be adversely affected.

The Conglomerate is exposed to risks related to its accounts receivable factoring arrangement.

The Conglomerate has entered into a factoring arrangement to sell certain of its customers' trade accounts receivable. If the Conglomerate did not enter into this factoring arrangement, its financial condition, results of operations and cash flows could be materially and adversely affected by delays or failures in collecting trade accounts receivable. In addition, if the Conglomerate's factor experiences financial difficulties or otherwise terminates the factoring arrangement, the Conglomerate may experience material and adverse economic losses due to the loss of such factoring arrangement and the impact of such loss on its liquidity, which could have a material and adverse effect upon its financial condition, results of operations and cash flows. The utility of its factoring arrangement also depends upon the LIBOR rate, as it is a component of the discount rate applicable to each arrangement, and the credit risk of its customers. If the LIBOR rate increases and/or the credit risk of the Conglomerate's customers deteriorates such that the cost of factoring increases commensurately, this could have a material and adverse effect upon its financial condition, results of operations and cash flows.

Risk Factors of Supply Chain Finance Transactions

Potential Exposure of Assets and Counterparty Risk.

The Purchaser SPV and YS SPV have entered into a BAFT Master Participation Agreement in order to facilitate the purchase and sale of trade accounts receivable. Under the BAFT trade finance legal framework, legal title to the underlying trade accounts receivable typically does not pass to the purchaser at the time of sale. Rather, the legal title will remain in a bankruptcy-remote special purpose vehicle of the Purchaser SPV. The Purchaser SPV will transfer payments received on the underlying accounts receivable into a designated collection account for the YS SPV. This bifurcation of legal title from economic interest allows the Originator, an affiliate of the Purchaser SPV, to service the contract, and the placement of legal title in the Purchaser SPV protects the purchaser from exposure to creditors of the Originator. Because the Originator services the underlying obligations, the return on those obligations is nonetheless subject to risks involving the insolvency or malfeasance of the Originator. For example, in the event that the Originator were to encounter financial difficulties that impaired its operational capabilities, investors in the Notes could face delays in receiving payment on any affected underlying trade accounts receivable or incur other expenses associated with asserting their legal rights.

No Direct Contractual Relationship between YS SPV and Conglomerate.

Under the structure of this transaction, YS SPV does not have a direct contractual relationship with the Conglomerate. Instead, YS SPV and Purchaser SPV entered into the BAFT Master Participation Agreement, pursuant to which the Purchaser SPV transferred to YS SPV all of the Purchaser SPV's rights to receive payment under designated trade accounts receivable pursuant to the independent payment undertaking of the Conglomerate. In the event of a default by the Conglomerate, YS SPV will not have any direct rights or remedies against the Conglomerate and would seek to coordinate enforcement of rights and remedies against the Conglomerate with the Purchaser SPV. In the event that YS SPV seeks to pursue enforcement remedies directly against the Conglomerate, YS SPV can request that Purchaser SPV convert YS SPV's participation interest to an assignment.

Credit Risk.

Credit risk is the risk that an obligor will not honor its commitments. Supply chain finance transactions are subject to the credit risk of obligors. Payment to investors on the Notes is dependent on the ability of the Conglomerate as an obligor to pay all amounts due at maturity, and therefore the investment in the Notes is subject to the credit risk of the Conglomerate. The Notes will be negatively affected in the event that the Conglomerate becomes unwilling or unable to meet its financial obligations in a timely manner.

Repayment Obligations.

In the event of a bankruptcy of the Conglomerate, the YS SPV would have an unsecured claim against the Conglomerate pursuant to its participation interest under the BAFT Master Participation Agreement and would be entitled to payment only after secured creditors.

Possible Legal, Regulatory, or Other Developments.

The purchase and sale of accounts receivable is not as heavily regulated as other areas of the financial markets, such as the purchase and sale of securities or commodity derivatives. Because the purchase of accounts receivable represents a significant portion of trade finance, the introduction of new legislation, regulatory rules, or industry best-practices related to the purchase and sale of accounts receivable could increase operational and compliance costs associated with such transactions, thereby negatively affecting the profitability of an investment in the Notes.

The Notes may be subject to risks arising from a novel strain of coronavirus (known as COVID-19), which has had a material effect on global financial markets and has caused a disruption of manufacturing supply chains and local and global economies.

In December 2019, COVID-19 surfaced in China and became a worldwide pandemic, resulting in unprecedented closure of many corporate offices, retail stores, and manufacturing facilities. These closures have caused the disruption of manufacturing supply chains and local and global economies, the duration of which remains uncertain. As of April 2020, COVID-19 has spread across the world, which has resulted in additional market disruptions. The extent to which COVID-19 may negatively affect the operations or performance of the Conglomerate, the Manager, the Originator, the Suppliers or any third-party is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of COVID-19 and the actions taken by authorities and other entities to contain COVID-19 or treat its impact. These potential impacts, while uncertain, could have a material adverse effect on the interest of the Notes or ability of the Issuer to repay Noteholders.

Noteholders may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, which may have a material effect on global financial markets.

The Noteholders may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Conglomerate, the Manager, the Originator, the Suppliers or any third-party operates or participates (or has a material effect on locations in which the any of the foregoing entities operate or participate) the risks of loss can be substantial and can have a material adverse effect on the yield of the Notes or ability of the Issuer to repay Noteholders.