

Fill in this information to identify the case:

Debtor Medley LLC

United States Bankruptcy Court for the: _____ District of Delaware
(State)

Case number 21-10526

Official Form 410
Proof of Claim

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>Strategic Capital Advisory Services, LLC</u> Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
	Strategic Capital Advisory Services, LLC c/o Daniel R. Fogarty, Esquire 110 E. Madison St., Suite 200 Tampa, FL 33602, USA	Strategic Capital Advisory Services, LLC c/o Ken Jaffe 695 Town Center Dr., Suite 600 Costa Mesa, CA 92626
	Contact phone <u>8132290144</u>	Contact phone _____
	Contact email <u>dfogarty.ecf@srbp.com</u>	Contact email _____
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ <div style="text-align: right;">MM / DD / YYYY</div>	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____ _

7. How much is the claim? \$ 7,700,000.00. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.
Letter Agreement - see attached

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature or property:
 Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: _____
Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____



12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$3,025* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$13,650*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ _____

* Amounts are subject to adjustment on 4/01/22 and every 3 years after that for cases begun on or after the date of adjustment.

13. Is all or part of the claim pursuant to 11 U.S.C. § 503(b)(9)?

No

Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

\$ _____

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 04/30/2021
MM / DD / YYYY

/s/Daniel R. Fogarty
Signature

Print the name of the person who is completing and signing this claim:

Name Daniel R. Fogarty
First name Middle name Last name

Title Counsel for Creditor

Company Stichter, Riedel, Blain and Postler, P.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address _____

Contact phone _____ Email _____



KCC ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (877) 634-7166 | International 001-310-823-9000

Debtor: 21-10526 - Medley LLC		
District: District of Delaware		
Creditor: Strategic Capital Advisory Services, LLC c/o Daniel R. Fogarty, Esquire 110 E. Madison St., Suite 200 Tampa, FL, 33602 USA Phone: 8132290144 Phone 2: Fax: Email: dfogarty.ecf@srbp.com	Has Supporting Documentation: Yes, supporting documentation successfully uploaded	
	Related Document Statement:	
	Has Related Claim: No	
		Related Claim Filed By:
		Filing Party: Authorized agent
Disbursement/Notice Parties: Strategic Capital Advisory Services, LLC c/o Ken Jaffe 695 Town Center Dr., Suite 600 Costa Mesa, CA, 92626 Phone: Phone 2: Fax: E-mail: DISBURSEMENT ADDRESS		
Other Names Used with Debtor:	Amends Claim: No	
	Acquired Claim: No	
Basis of Claim: Letter Agreement - see attached	Last 4 Digits: No	Uniform Claim Identifier:
Total Amount of Claim: 7,700,000.00	Includes Interest or Charges: No	
Has Priority Claim: No	Priority Under:	
Has Secured Claim: No	Nature of Secured Amount:	
Amount of 503(b)(9): No	Value of Property:	
Based on Lease: No	Annual Interest Rate:	
Subject to Right of Setoff: No	Arrearage Amount:	
	Basis for Perfection:	
	Amount Unsecured:	
Submitted By: Daniel R. Fogarty on 30-Apr-2021 9:24:26 a.m. Eastern Time Title: Counsel for Creditor Company: Stichter, Riedel, Blain and Postler, P.A.		

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

MEDLEY, LLC,¹

Debtor.

Chapter 11

Case No. 21-10526 (KBO)

Attachment to Proof of Claim of Strategic Capital Advisory Services, LLC

Claimant, Strategic Capital Advisory Services, LLC (the “**Claimant**” or “**SCAS**”), files this attachment to its Proof of Claim filed in the above-referenced bankruptcy case against Medley, LLC (the “**Debtor**” or “**Medley**”).

I. THE CLAIMS

SCAS’ claims against Medley arise primarily from two Letter Agreements. Pursuant to the first Letter Agreement, dated December 31, 2018, Medley agreed to pay SCAS consideration of \$14,000,000 in sixteen (16) installments of \$875,000. (See attached Exhibit A).

SCAS and Medley then entered into an Amended Letter Agreement, dated August 4, 2020. Pursuant to the Amended Letter Agreement, Medley agreed to pay the then unpaid balance of \$8,750,000 to SCAS in twelve (12) installments of differing amounts. Medley paid two (2) of the installment amounts: the first installment occurring on August 5, 2020 of \$700,000 and the second installment occurring on November 5, 2020 of \$350,000. This brought the balance owed to \$7,700,000. Medley then defaulted by not making its February 2021 payment.

For purposes of the Proof of Claim, Claimant has calculated its damages as being \$7,700,000.00. Claimant reserves the right to amend and/or supplement this Proof of Claim prior to and after the claims bar date(s) as set by order of the Bankruptcy Court in the bankruptcy case. Claimant further reserves the right to amend the claim to assert additional damages or claims based on theories other than breach of the Letter Agreement, including but not limited to claims based on any false or misleading statements made in connection with the Letter Agreement or the amendment thereto.

II. RESERVATION OF RIGHTS

Claimant reserves the right to amend this Proof of Claim and to file further pleadings and documents from time to time: (i) to restate liquidated and unliquidated components of the Claim(s); (ii) to update the total estimated exposure with respect to any unliquidated claims asserted herein; (iii) to request payment of administrative expenses (whether in respect of claims asserted herein or otherwise); (iv) to reflect additional claims to the extent discovered after the filing hereof; and/or

¹ The last four digits of the Debtor’s taxpayer identification number are 7343. The Debtor’s principal executive office is located at 280 Park Avenue, 6th Floor East, New York, New York 10017.

(v) for any other reason should Claimant deem it appropriate, including, without limitation, to claim all amounts due in respect of any pre-petition or post-petition professional fees and/or expenses and interest.

The description of the Claim provided herein is for reference purposes only. Filing of this proof of claim is not and shall not be deemed or construed as: (i) an election of remedies; (ii) a consent by Claimant to a jury trial in this court or any other court in any proceeding as to any and all matters so triable herein or in any case, controversy or proceeding related hereto, pursuant to 28 U.S.C. § 157(b)(2), and whether such jury trial is pursuant to statute or the United States Constitution; (iii) a waiver of the right of Claimant to have final orders in non-core proceedings entered only after *de novo* review by a District Court; (iv) a waiver of the right of Claimant to have the reference withdrawn by the District Court in any matter subject to mandatory or discretionary withdrawal; (v) a waiver of any past, present, or future event of default under any agreements between Claimant and the Debtor(s); or (vi) a waiver or limitation of any rights of Claimant, including without limitation, a waiver of rights, claims, actions, defenses, set-offs or recoupments to which Claimant is or may be entitled to, in law or in equity, all of which rights, claims, actions, defenses, set-offs and recoupments are expressly reserved by Claimant. In addition, to the extent applicable, Claimant reserves the right to file an administrative expense priority claim pursuant to, *inter alia*, Sections 502, 507 and/or other applicable provisions of the Bankruptcy Code.

In executing and filing this Proof of Claim, Claimant does not waive any obligation owing to it; any right to claim specific assets, or any other right or rights of action that it has or may have against the Debtor(s), or any other third-party, including without limitation, rights against guarantors, initial or subsequent transferees, mediate or immediate transferees, or any entity against which Claimant possesses a claim or cause of action arising from or related to the transactions described herein.

The filing of this proof of claim is not intended to waive (i) Claimant's right to have final orders in noncore matters entered only after *de novo* review by a district judge, (ii) Claimant's right to trial by jury in any proceedings or trial so triable herein or in any case, controversy, or proceeding relating hereto, (iii) Claimant's right to have the reference withdrawn by the District Court in any matter subject to mandatory or discretionary withdrawal, or (iv) any other rights, claims, actions, defenses, setoffs and recoupments Claimant expressly reserves. Further, this proof of claim is not to be deemed a consent to or waiver of the right to challenge the jurisdiction of the Bankruptcy Court, including without limitation, the jurisdiction of the Court to adjudicate noncore matters, all of which rights are reserved without prejudice.

EXHIBIT A

December 31, 2018

Strategic Capital Advisory Services, LLC
695 Town Center Drive
Suite 600
Costa Mesa, California 92626
Attention: Kenneth Jaffe

Dear Mr. Jaffe:

On January 31, 2012, Strategic Capital Advisory Services, LLC, a Delaware limited liability company (“SCAS” or “you”), and Medley LLC, a Delaware limited liability company (“Medley”), entered into that certain limited liability company agreement of SIC Advisors LLC (the “Initial LLC Agreement”) setting forth their agreement as to the ownership and operation of SIC Advisors LLC (the “Advisor”) and the respective rights and obligations of SCAS and Medley with respect to the Advisor and each other. The Initial LLC Agreement was amended by those certain amendments, dated as of December 31, 2012, November 30, 2014 and January 29, 2016, between SCAS and Medley (as amended to date, the “LLC Agreement”).

This letter agreement (this “Agreement”) hereby amends the LLC Agreement as set forth herein and confirms, among other things, the terms and conditions of (i) the Call Price with respect to the SCAS Interests (each as defined in the LLC Agreement), (ii) the satisfaction in full of any other amounts owed by Medley to SCAS under the LLC Agreement, other than any amounts owed by Medley, Sierra Income Corporation (“Sierra”) or their respective subsidiaries and affiliates in connection with any organizational and offering expenses related to Sierra, (iii) the ownership and management of the business and affairs of the Advisor, and (iv) certain agreements related thereto. Each party represents and warrants that this Agreement and the other agreements between you or any of your affiliates, on the one hand, and Medley, on the other, constitute valid and binding obligations of each such person and such person’s affiliates, enforceable against such person and such person’s affiliates in accordance with the terms of this Agreement and such other agreements, as applicable. Notwithstanding anything to the contrary herein, this Agreement shall not constitute a waiver, amendment or release of any of SCAS’s obligations with respect to reimbursement of any organizational and offering expenses of Sierra.

1. Effective Date. This Agreement shall be effective as of December 31, 2018 (the “Effective Date”).
2. LLC Agreement; Acknowledgement. The parties each hereby acknowledge and agree that subject to payment of the Consideration (defined below) in full as provided hereunder, the other party has complied with its covenants and agreements pursuant to the LLC Agreement through (and including) the Effective Date.
3. Exercise of Buyout Right. You acknowledge and agree that immediately upon delivery of that certain Call Exercise Notice, dated as of August 9, 2018 (the “Call Exercise Date”), Medley exercised (the “Call Exercise”) its call rights (“Call Right”) under Section 12.6 of the LLC Agreement with respect to the SCAS Interests (together with the resulting purchase of the SCAS Interest, the “Transaction”) and, in connection therewith, SCAS irrevocably transferred, conveyed and assigned to Medley, and Medley accepted from SCAS, the SCAS Interests, in consideration for the payment by Medley to SCAS of the Consideration.

4. Consideration.

(a) Notwithstanding anything to the contrary in the LLC Agreement (including, for the avoidance of doubt, Section 12.6 thereof), the aggregate consideration for the satisfaction in full of all amounts owed by Medley to SCAS under the LLC Agreement (including the purchase and sale of the SCAS Interests and any amounts owed by Medley to SCAS with respect to the period from and including July 1, 2018 through the Call Exercise Date) shall be an amount in cash equal to \$14,000,000 (such aggregate consideration, the "Consideration").

(b) The Consideration shall be due and payable by Medley to SCAS in sixteen (16) equal installments of \$875,000, and Medley shall, commencing on December 31, 2018, and thereafter by the fifth day of each of February, May, August and November of each year until the Consideration is paid in full (each installment, a "Consideration Installment" and each payment date, a "Consideration Payment Date"), on each Consideration Payment Date, pay to SCAS, via electronic wire transfer, at an address set forth on Exhibit A hereto, an amount equal to the Consideration Installment. Exhibit A may be updated by SCAS upon no less than five (5) business days' written notice to Medley in the sole discretion of SCAS.

(c) Notwithstanding anything contained in this Agreement to the contrary, the outstanding balance of the Consideration shall become immediately due and payable upon a sale of all or substantially all of the assets of Medley without the prior consent of SCAS (such consent not to be unreasonably withheld).

5. Ownership and Management of the Advisor.

(a) You acknowledge and agree that SCAS ceased to be a Member of the Advisor as of the Call Exercise Date.

(b) It is understood that neither SCAS nor any of its affiliates shall have any role whatsoever in the management of the Advisor.

(c) SCAS has delivered an Assignment of Limited Liability Company Interest, effective as of the Call Exercise Date, substantially in the form attached hereto as Exhibit B (the "Assignment"). You represent and warrant that the Assignment has been duly executed by an authorized officer of SCAS.

6. Expenses. Each party shall pay its own fees and expenses and those of its agents and advisors with respect to this Agreement and the Transaction. No party is or will be liable to any other party for any fee, cost or expense of any investment banker, investment advisor, business broker or transaction advisor, broker, finder, consultant or agent employed or alleged to have been employed by, or claiming by or through, any other party in connection with the Transaction.

7. Transfer of Domain Name. SCAS shall, and the Advisor shall reasonably cooperate with SCAS to, transfer to the Advisor all of SCAS' right, title and interest in and to the domain name, www.sierraincomecorp.com.

8. Medley Representations, Warranties and Covenants. From and after the Effective Date and until the Consideration is paid in full, Medley hereby represents, warrants and covenants to SCAS:

(a) Medley has full corporate power and authority to perform its obligations set forth in this Agreement, and the delivery and performance of this Agreement by Medley has been duly authorized by all necessary company action;

(b) The execution and delivery of this Agreement by Medley shall not result in a breach of the terms and conditions of, or constitute a material default under, Medley's and Advisor's organizational documents or any other significant agreement, instrument, or governmental order to which Medley or Advisor is bound, except to the extent where such breach, individually or in the aggregate, would not be reasonably expected to have a material adverse effect;

(c) As of the Call Exercise Date, Medley became the sole member of the Advisor and direct owner of one hundred percent (100%) of the issued and outstanding equity interests in the Advisor and will continue to own one hundred percent (100%) of the issued and outstanding equity interests in the Advisor until the Consideration is paid in full;

(d) Medley is the sole member of MCC Advisors LLC and directly owns one hundred percent (100%) of the issued and outstanding equity interests in MCC Advisors LLC and will continue to own one hundred percent (100%) of the issued and outstanding equity interests in MCC Advisors LLC until the Consideration is paid in full;

(e) Medley will timely satisfy each Consideration Installment on or before the Consideration Payment Date;

(f) Notwithstanding Section 5 above, Medley's obligations hereunder shall be deemed unsecured debt and Medley shall cause the Advisor or its successors to not make any distributions pursuant to the LLC Agreement to any of its Members unless and until the then due Consideration Installment is timely paid in full by Medley to SCAS;

(g) Medley shall not consolidate with or merge with or into any other corporation or convey or transfer its properties and assets substantially as an entirety to any Person, unless: (i) either Medley shall be the continuing corporation, or the corporation (if other than Medley) formed by such consolidation or into which Medley is merged or the Person which acquires by conveyance or transfer the properties and assets of Medley substantially as an entirety shall expressly assume, in form satisfactory to SCAS, the due and punctual payment of Medley's obligations hereunder and the performance of every covenant of Medley hereunder; (ii) immediately after giving effect to such transaction, no default by Medley of its obligations hereunder shall have happened and be continuing; and (iii) Medley and the successor Person have delivered to SCAS an officers' certificate and an opinion of counsel each stating that such consolidation, merger, conveyance or transfer and such assumption comply with this Section 8(g) and that all conditions precedent herein provided for relating to such transaction have been complied with. Upon any consolidation or merger, or any conveyance or transfer of the properties and assets of Medley substantially as an entirety in accordance with this Section 8(g), the successor corporation formed by such consolidation or into which Medley is merged or the successor Person to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of, Medley under this Agreement with the same effect as if such successor had been named as Medley herein; and in the event of any such conveyance or transfer, Medley shall not be discharged from all obligations and covenants under this Agreement, which shall remain in place for all purposes. For purposes of this Section 8(g), "Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organization or government or any agency or political subdivision thereof, or any other entity.

(h) If Medley defaults in the payment of a Consideration Installment on a Consideration Payment Date and such default is not cured within ten (10) calendar days of such Consideration Payment Date, SCAS shall, upon advance notice to Medley, have a right of inspection of the books and records of Medley or any successor to the obligations of Medley hereunder to the extent such books and records could be reasonably related to such obligations of Medley; and

9. SCAS Representations and Warranties. SCAS hereby represents and warrants, as of the date hereof, to Medley:

(a) SCAS has full corporate power and authority to perform its obligations set forth in this Agreement and the delivery and performance of this Agreement by SCAS has been duly authorized by all necessary company action; and

(b) The execution and delivery of this Agreement by SCAS shall not result in a breach of the terms and conditions of, or constitute a material default under, SCAS' organizational documents or any other significant agreement, instrument, or governmental order to which SCAS is bound, except to the extent where such breach, individually or in the aggregate, would not be reasonably expected to have a material adverse effect.

10. Successors and Assigns. This Agreement will be binding upon and inure to the benefit of you and Medley and your and its respective predecessors, successors, assigns, heirs, executors, administrators and personal representatives, and each of them, whether so expressed or not, and to the extent provided herein, the affiliates of you and Medley. This Agreement is not assignable by either party without the prior written consent of the other party, and any attempted assignment of this Agreement, without such prior written consent, will be void.

11. Entire Agreement. This Agreement (including the exhibit attached hereto), together with the Call Exercise, embodies the complete agreement and understanding between you and Medley with respect to the subject matter hereof and supersedes any prior understandings, agreements or representations, written or oral, which may have related to the subject matter hereof or thereof in any way. In the event of an inconsistency between the LLC Agreement and this Agreement, the terms of this Agreement will prevail, and the parties hereto will take all reasonable steps, or procure that all reasonable steps are taken, to amend the LLC Agreement to be consistent with this Agreement.

12. Notices.

(a) All notices required or permitted to be given pursuant to this Agreement will be given in writing and transmitted by personal delivery or reputable courier service, express, registered or certified mail, or fax or e-mail (with confirmed receipt), and should be addressed to:

(i) if to you:

Strategic Capital Advisory Services, LLC
695 Town Center Drive, Suite 600
Costa Mesa, California 92626
Attention: Kenneth Jaffe
Telephone: 657-383-9642
Email: KJaffe@scadvisoryservices.com

(ii) if to Medley:

Medley LLC
280 Park Avenue South, 6th Floor East
New York, New York 10017
Attn: Mr. John Fredericks
Phone: 646-465-7890
E-Mail: john.fredericks@mdly.com

13. Amendments. This Agreement may not be modified or amended except by a written instrument signed by you and Medley.

14. Further Assurances. Each of you and Medley agree to execute, deliver and acknowledge such other documents and agreements and to take such other further actions as may be deemed to be reasonably necessary or advisable in connection with consummating the transactions contemplated hereby and assuring receipt by you of all amounts due hereunder.

15. Governing Law. This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to principles of conflicts of law.

16. Severability. If any provision of this Agreement is found to be unenforceable or to violate any statute, regulation, rule, order or decree of any governmental authority, court, agency or exchange, such unenforceability or invalidity will not be deemed to affect any other provision hereof or the validity of the remainder of this Agreement, and such unenforceable or invalid provision will be deemed deleted herefrom to the minimum extent necessary to cure such violation.


17. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be an original and all of which will constitute one and the same instrument. This Agreement may be executed by facsimile signatures.

* * * * *

If the above reflects our mutual understanding of the terms discussed herein, please indicate by signing below.

Very truly yours,

MEDLEY LLC,
a Delaware limited liability company

DocuSigned by:

AC41FFCBEC794F5...

By: _____
Name:
Title:

Agreed and accepted as of
the date first above written:

STRATEGIC CAPITAL ADVISORY SERVICES, LLC,
a Delaware limited liability company

By: _____
Name:
Title:

If the above reflects our mutual understanding of the terms discussed herein, please indicate by signing below.

Very truly yours,

MEDLEY LLC,
a Delaware limited liability company

By: _____
Name:
Title:

Agreed and accepted as of
the date first above written:

STRATEGIC CAPITAL ADVISORY SERVICES, LLC,
a Delaware limited liability company

By: 
Name: Kenneth Jaffe
Title: President

Wire Instructions

Bank Name: Texas Capital Bank

ABA: 111017979

Account Name: Strategic Capital Advisory Services LLC SCAS Fees SIC Account

Account Number: XXXXXXXXXX

EXHIBIT B

Unit Power

FOR THE VALUE RECEIVED, Strategic Capital Advisory Services, LLC, a Delaware limited liability company ("SCAS"), hereby transfers, conveys and assigns unto Medley LLC, a Delaware limited liability company, all of its right, title and interest in and to all of SCAS's limited liability company interests in SIC Advisors LLC, a Delaware limited liability company (the "Company"), standing in the name of SCAS on the books of the Company and does hereby irrevocably constitute and appoint Nathan Bryce, to reflect the transfer of said interests on the books of the Company maintained for that purpose, with full power of substitution in the premises.

[Signature Page Follows]

Dated: December 31, 2018

**STRATEGIC CAPITAL ADVISORY
SERVICES, LLC**

By:  _____

Name: Kenneth Jaffe

Title: President

August 4, 2020

Medley LLC
280 Park Avenue South, 6th Floor East
New York, NY 10017
Attn: Mr. John Fredericks

Dear Mr. Fredericks:

Medley LLC, a Delaware limited liability company (“Medley”) and Strategic Capital Advisory Services, LLC, a Delaware limited liability company (“SCAS”), are parties to a letter agreement dated December 31, 2018 (the “Agreement”), pursuant to which Medley agreed to pay \$14,000,000 (the “Consideration”) to SCAS for the satisfaction in full of all amounts owned by Medley to SCAS under the Limited Liability Company Agreement of SIC Advisors LLC (including the purchase and sale of SCAS’s membership interest of SIC Advisors LLC). Under the terms of the Agreement, Medley is to pay the Consideration to SCAS in sixteen (16) equal installments of \$875,000, on the dates indicated in the Agreement. To date, Medley has paid \$5,250,000 of the Consideration to SCAS, leaving a balance due of \$8,750,000, and Medley is currently in default of its payment obligations under the Agreement.

This amendment to letter agreement (this “Amendment”) hereby amends the Agreement to reflect the revised payment terms as agreed to by Medley and SCAS. Capitalized terms used but not defined in this Amendment shall have the meanings assigned thereto in the Agreement. Each party represents and warrants that this Amendment constitutes the valid and binding obligation of such party.

1. Amendment of Section 4(b). Section 4(b) of the Agreement is hereby amended to read as follows:

“(b) As of August 4, 2020, the unpaid balance of the Consideration is \$8,750,000. The Consideration shall be due and payable by Medley to in twelve (12) installments, in accordance with the schedule attached as Exhibit C hereto (each installment, a “Consideration Installment” and each payment date indicated on Exhibit C a “Consideration Payment Date”). On each Consideration Payment Date, Medley shall pay to SCAS, via electronic transfer, at an address set forth on Exhibit A hereto, an amount equal to the applicable Consideration Installment. Exhibit A may be updated by SCAS upon no less than five (5) business days’ written notice to Medley in the sole discretion of SCAS.”

2. New Section 18. A new Section 18 is hereby added to the Agreement to read as follows:

“18. Events of Default. Upon the occurrence of any one or more of the events listed below, the entire unpaid balance of the Consideration shall be immediately due and payable by Medley:

(a) Bankruptcy or Insolvency of Medley.

(i) The filing by Medley of a voluntary petition in bankruptcy for adjudication as a bankrupt or insolvent, or the filing by Medley of any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation,

dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or Medley's seeking or consenting to or acquiescence in the appointment of any trustee, receiver or liquidator of Medley or of all of the rents, revenues, issues, earnings, profits or income thereof, or the making of any general assignment for the benefit of creditors, or the admission in writing of its inability to pay its debts generally as they become due.

(ii) The failure to discharge within sixty (60) days of filing a petition filed against Medley seeking any reorganization, arrangement, composition, readjustment, liquidation or dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or the appointment of any trustee, receiver or liquidator of Medley or all or any substantial part of the revenues, issues, earnings, profits or income thereof without the consent or acquiescence of Medley.

(b) Assignment for the Benefit of Creditors. Medley shall make a general assignment for the benefit of creditors”


3. Survival of Agreement. The Agreement, as amended by this Amendment, shall remain in full force and effect.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which will be an original and all of which will constitute one and the same instrument. This Amendment may be executed by facsimile signatures.

If the above reflects our mutual understanding of the terms discussed herein, please indicate by signing below.

Very truly yours,

**STRATEGIC CAPITAL ADVISORY
SERVICES, LLC,**
a Delaware limited liability company

By:  DocuSigned by:
[Signature]
F7FD1D85C7C44C9...

Name: Kenneth Jaffe
Title: President

Agreed and accepted as of
the date first above written:

MEDLEY LLC,
a Delaware limited liability company

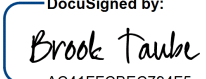
By: 
AC41FEFCBEC794F5
Name: Brook Taube
Title: Chief Executive Officer

Exhibit C

<u>Consideration Payment Date</u>	<u>Consideration Installment</u>
August 5, 2020	\$700,000
November 5, 2020	\$350,000
February 5, 2021	\$350,000
May 5, 2021	\$350,000
August 5, 2021	\$1,000,000
November 5, 2021	\$1,000,000
February 5, 2022	\$1,000,000
May 5, 2022	\$1,000,000
August 5, 2022	\$1,000,000
November 5, 2022	\$1,000,000
February 5, 2023	<u>\$1,000,000</u>
May 5, 2023	\$8,750,000

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