

Liquidation Preference to the holders of the Preferred Stock, the remaining assets shall be distributed ratably to the holders of the Common and Preferred Stock.

Subscription Agreement

Subscribers shall be required to execute a Subscription Agreement restricting the transferability of the shares.

Pre-Emptive Rights

The Company's Bylaws provide for certain pre-emptive rights upon the sale or issuance of Stock by the Company.

THIS TERM SHEET IS FOR DISCUSSION PURPOSES ONLY AND IS NOT AN OFFER TO SELL A SECURITY OR SOLICIT OFFERS TO PURCHASE, WHICH MAY ONLY BE MADE BY THE SUBSCRIBERS PURSUANT TO A WRITTEN SUBSCRIPTION AGREEMENT.

THE TERMS DESCRIBED HEREIN MAY BE MODIFIED OR REVOKED, AT ANYTIME, IN THE SOLE DISCRETION OF THE COMPANY.

THIS INVESTMENT OPPORTUNITY REFERENCED IN THIS TERM SHEET INVOLVES A HIGH DEGREE OF RISK. THIS INVESTMENT IS SUITABLE ONLY FOR PERSONS WHO CAN BEAR THE ECONOMIC RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. FURTHERMORE, INVESTORS MUST UNDERSTAND THAT SUCH INVESTMENT IS ILLIQUID AND IS EXPECTED TO CONTINUE TO BE ILLIQUID FOR AN INDEFINITE PERIOD OF TIME. NO PUBLIC MARKET EXISTS FOR THE SECURITIES, AND NO PUBLIC MARKET IS EXPECTED TO DEVELOP FOLLOWING THIS OFFERING.