PRIVATE & CONFIDENTIAL
NON-BINDING TERM SHEET

PROPOSED TERMS FOR THE OFFERING OF
CONVERTIBLE PROMISSORY NOTES

FOR

INGENIOUS, INC.

The following is a summary of the principal terms related to a proposed offering of unsecured convertible promissory notes by Ingenious, Inc. (the "Offering"). This Term Sheet is non-binding and no party shall have any rights, duties or obligations hereunder unless and until final, binding documentation is entered into. This Term Sheet is not an offer or solicitation for an offer for the sale of securities.

The Company	Ingenious, Inc., a Delaware corporation (the "Company").
Investors	Angel Network and other accredited investors approved by the Company and Angel Network.
Capitalization	The Company's capitalization as of the date hereof is set forth in Exhibit A hereto.
Use of Proceeds	The proceeds would be used by the Company to fund the further development and commercialization of the Company's products.
Minimum Proceeds	A minimum of $250,000.
Interest	10% per annum, simple interest. Interest would be payable in cash upon maturity of the Notes or an Event of Default, and would be converted into equity upon a Next Round of Financing or a Significant Transaction.
Maturity Date	December 31, 2020
Next Round of Financing	The Notes would be automatically converted into Equity Securities of the Company upon the closing of the first round of equity in the minimum amount of $1,000,000 ("Next Round Financing"). Upon the Next Round Financing, each Noteholder would be entitled to receive the number of Equity Securities that equals (a) the outstanding principal and accrued and unpaid interest on such Noteholder's Note, divided by lesser of (b) the price per Equity Security (as paid by the investors in the Next Round Financing) multiplied by the Conversion Discount or (c) the price obtained by dividing (i) $2,000,000 (the "Valuation Cap") by (ii) the aggregate number of outstanding Company shares on a fully-diluted basis as of immediately prior to the initial closing of the Next Round Financing.

"Equity Securities" means (A) in connection with a Next Round Financing, the type of securities that are offered and sold to investors in the Next Round Financing, and (B) in connection with a Significant Transaction, the type of securities that are offered and sold, in connection with such transaction, to the applicable purchaser(s) of the Company or any portion thereof.

"Conversion Discount" means 0.7.

Significant Transaction	The Notes would be automatically converted into Equity Securities of the Company upon a sale of all or substantially all the assets of the Company, a merger of the Company pursuant to which the equity holders of the Company cease to own 50% or more of the equity securities of the surviving company, or the equity holders of the Company sell more than 50% of the issued and outstanding securities of the Company (as opposed to the Company issuing equity securities) ("Significant Transaction"). In such event, each Noteholder would be entitled to receive the number of Equity Security that equals (a) the outstanding principal and accrued and unpaid interest on such Noteholder's Note, divided by (b) the greater of (A) (b) an amount equal to the value of the Company imputed in the Significant Transaction, multiplied by the Conversion Discount or (B) the Valuation Cap, and divided by the number of the Company's outstanding shares. Upon a Significant Transaction, in the alternative, at each Noteholder's option, such Noteholder will have a right to receive an amount equal to the accrued and unpaid interest and two times the outstanding principal amount of the Note. If no Significant Transaction occurs by the Maturity Date, each Noteholder would be entitled to receive the number of Company shares that equals (a) the outstanding principal and accrued and unpaid interest on such Noteholder's Note, divided by (b) the price obtained by dividing (i) the Valuation Cap by (ii) the aggregate number of outstanding shares of the Company as of immediately prior to the Maturity Date on a fully-diluted basis.
Prepayment	The Notes may not be prepaid.
Closing Date	July 31, 2019.
Event of Default	Upon an Event of Default, the holders of a majority of the outstanding principal of the Notes (a "Majority in Interest") would be entitled to exercise all rights and remedies set forth in the Notes, including collecting all principal and unpaid interest. An "Event of Default" means a failure to pay any interest or principal on the Notes when due,

	a failure to comply with any material provision of the Notes or the Note Purchase Agreement (as hereafter defined) after applicable notice and opportunity to cure, or the bankruptcy of the Company or the appointment of a receiver or custodian or similar officer of any substantial part of the Company's property.
Information Rights	As long as the Notes are outstanding, the holders of the Notes would be entitled to receive internally generated quarterly financial statements of the Company and audited annual financial statements.
Protective Provisions	If the Notes are converted into any equity securities of the Company other than the common stock thereof (such securities, together with all other equity securities of such class issued by the Company, the "<u>Preferred Stock</u>"), then so long as 33% of shares of Preferred Stock, remain outstanding, in addition to any other vote or approval required under the Company's organizational documents, the Company will not, without the written consent of the holders of at least a majority of the Company's Preferred Stock, either directly or by amendment, merger, consolidation, or otherwise: (i) liquidate, dissolve or wind-up the affairs of the Company, or effect any merger or consolidation or any other Sale of the Company; (ii) amend, alter, or repeal any provision of the Company's organizational documents (including, but not limited to, any certificate of incorporation or bylaws) in a manner adverse to the Preferred Stock; (iii) create or authorize the creation of or issue any other security convertible into or exercisable for any equity security, having rights, preferences or privileges senior to or on parity with the Preferred Stock; (iv) increase the authorized number of shares of Preferred Stock; or (v) purchase, redeem, or pay any dividend on any capital stock prior to any purchase, redemption, and payment of dividends to the Preferred Stock, other than stock repurchased from former employees or consultants in connection with the cessation of their employment/services, at the lower of fair market value and the initial sale price of such stock.
Most Favored Nation	If, in connection with any Closing occurring subsequent to the first Closing and prior to December 31, 2019, any existing or future investor of the Company receives terms or rights more favorable in any material

	respect than those provided in the Note Purchase Agreement or other Transaction Documents to the investors who participated in the first Closing, then such Note Purchase Agreement and/or Transaction Documents will be amended to provide the investors who participated in the first Closing with the benefit of such more favorable terms or rights.
Board Seat	A Majority in Interest would be entitled to designate one individual to serve on the Board. The Noteholders' right to elect such a manager would cease upon a Significant Transaction.
Founder Matters	Each Founder will have four years vesting beginning at closing. Each Founder will have assigned all relevant intellectual property to the Company before closing. Founders and key employees will sign a non-compete/non-solicitation agreement for the term of employment and 3 years thereafter. No severance.
Amendments; Waiver	The Notes, the Note Purchase Agreement between the Noteholders and the Company ("Note Purchase Agreement"), and other documents executed in connection with the Offering (collectively, the "Transaction Documents") may be amended, and the rights granted thereunder may be waived, by all Noteholders.
Transaction Documents	The purchase of Notes is conditioned upon the execution, by each Noteholder, of the Transaction Documents, and completion by such Noteholder of all legal, accounting and business due diligence.
Assignment	The Notes are non-transferable.
Shareholder Agreement	Upon conversion of the Notes, all holders of the Notes would become subject to the then-applicable Shareholder Agreement of the Company.
Expenses	The Company will pay the Angel Network legal fees, regardless of whether the transaction closes.
Exclusivity	Until July 31, 2019, the Company agrees not to solicit offers from other parties for any financing. Without the consent of Angel Network, the Company will not disclose these terms to anyone other than officers, directors, key service providers, and other potential Investors in this financing.

EXHIBIT A
CURRENT TABLE OF CAPITALIZATION

Name	Common Units	Options	Total	Percentage
Tim Striker	75,000	0	75,000	75.00%
Ralph Reiter	25,000	0	25,000	25.00%
Total	**100,000**	**0**	**100,000**	**100.00%**