

**TERM SHEET FOR PROTOTYPE**

ITEM	HAP AND HAZ'S OFFER	USA PROTOTYPE'S COUNTER	H&H'S RESPONSE
ENGAGEMENT	H&H will hire USA Prototype to make prototype	OK	N/A
ORDER SPECS	5 units of finished solar-powered computer mouse with USB connector.	5 units of finished solar-powered computer mouse with USB connector, subject strictly to designs and plans H&H provide	OK
PRICE	\$1,200 set-up and \$250/unit	\$1,500 set up and \$300/unit	OK
DELIVERY	10 days following order date	14 business days following order	OK
IP OWNERSHIP	Hap and Haz own all IP	OK	OK
CONFIDENTIALITY/ NONCIRCUMENTION	(1) MFG may not disclose designs, plans, schemes or contract;  (2) MFG may not make similar device	(1) OK  (2) MFG may not make similar device based on or referencing H&H's plans	OK
QUALITY CONTROL	MFG will make up to 3 versions, will work with Hap, Haz and Seymour in refining design	MFG will make up to 2 versions, additional versions at additional per unit charge  MFG will work with Hap, Haz and Seymour in refining design	OK
WARRANTY	Prototype will be fully functional	Prototype will receive a solar charge and power a laptop computer for up to 1 hour	OK