

Vail Industries
Term Sheet for Investment
Friends and Family Round

This term sheet summarizes the principal terms with respect to a private placement of equity securities of Vail Industries Corp. by a group of investors. Upon Execution, this term sheet is legally binding. For the purposes of the friends and family round **only**, the sale of Vail Industries shares falls under federal exemption Rule 504 and CO state transaction exemption as a private offering. At the initiation of the A Round of funding, Vail Industries will begin the SEC filing process. At that time, existing shareholders will be provided with updated corporate documents regarding the SEC regulated sale/purchase of shares. Vail Industries intends to follow all SEC guidelines and rules regarding the future purchase or sale of equities, as required by law.

The Company and investors are offering a private placement of Preferred Shares on the following terms:

Amount of Investment	Shares	% Ownership
\$5,000	2,000	0.002
\$10,000	4,000	0.004
\$15,000	6,000	0.006
\$20,000	8,000	0.008
\$25,000	10,000	0.01

Valuation of the Company: \$2.5 million Pre-money
Valuation of the Company: \$3.5 to 4 million Post-money

Type of Security: Series A preferred share, convertible to common share
Price per share: \$2.50 ("Original Purchase Price")

Redemption:

At the election of each holder, the Company will redeem Preferred at any point on or after 3 years from the date of purchase by paying in cash an amount equal to the Liquidation Preference at the time of redemption. To the extent that the Company may not at any such date legally redeem such Preferred, such redemption will take place as soon as legally permitted.

To the extent that the Company's available cash flow does not permit such redemption, the remainder shall be paid in three equal annual installments, represented by a note to each unredeemed holder of Preferred bearing interest at the prime rate, compounded quarterly, up to a maximum allowed by applicable usury laws.

Preferred shareholders are entitled to assign their shares to a successor, for the purposes of estate planning.

Any Preferred shareholder interested in selling their shares back to Vail Industries before the 3 year term is complete may contact the company for buy back terms.

Information Rights:

At this stage of development, the company reserves the right to restrict access to financial reports. Current shareholders will be entitled to an unaudited annual report.

Use of Proceeds:

The proceeds from the sale of Preferred will be used for working capital including paying past obligations of accounts payable. Shareholders have no rights to audit proceeds or rights to determine how the company utilizes proceeds.

I acknowledge by executing this document I am expressing my agreement to purchase the identified amount of Preferred Share of Vail Industries, Corp. The purchase of these shares was done so of my own free will, without undue influence or coercion. I acknowledge my understanding of the above listed terms and the risks involved with any investment. Contract will be considered executed upon deposit of funds.

Legal Name of Shareholder(s): _____
(Will appear on Certificate)

Number of Shares: _____

Price per Share: \$2.50

Total Purchase Price: _____

Investor Contact Information:

Legal Address of Investor: _____

Investor Email: _____

Investor Phone Number: _____

Payment Method: (Circle one) CHECK CREDIT CARD WIRE TRANSFER

Print Shareholder(s) Name Signature Date

Print Shareholder(s) Name Signature Date

Print Shareholder(s) Name Signature Date

Witness Witness Signature Date