

EGENESIS, INC.
CONVERTIBLE BRIDGE NOTES
SUMMARY OF PROPOSED TERMS

The following summarizes the principal terms of the proposed issuance by eGenesis, Inc., a Delaware corporation (the “Company”), of its Convertible Bridge Notes to certain “accredited investors”.

- Issuer:** eGenesis, Inc., a Delaware corporation (“Company”).
- Issue:** Convertible Notes (“Notes”) convertible into securities issued in a future financing round as described under “Conversion” below. The Company expects to issue approximately \$1,500,000 principal amount of Notes.
- Investor(s):** Notes may be issued to persons or entities that qualify as “accredited investors” as such term is defined in Regulation D of the Securities Act of 1933, as amended.
- Maturity:** The Notes will mature on March 31, 2016, subject to earlier conversion. In the event of bankruptcy, liquidation or other specified events of default, the Notes will become immediately due and payable.
- Interest:** 8% per annum, accruing monthly in arrears and payable at maturity.
- Ranking:** The Notes will be senior unsecured obligations of the Company.
- Conversion:** In the event that the Company raises a minimum of \$2,300,000 in new equity financing from investors (the “Investor Sale”) prior to maturity of the Notes (whether at stated maturity, by acceleration or otherwise), all outstanding principal of, and accrued but unpaid interest on, the Notes will automatically convert into the same equity securities (the “Investor Stock”) issued in the Investor Sale, at a conversion price (the “Investor Price”) equal to 85% of the price per share of Investor Stock paid by the purchasers of such shares in the Investor Sale, and holders of the Notes shall receive the same rights, privileges and protections as the Investor Stock. Both the holders of the Notes and the Company contemplate that the Investor Stock will be an issue of the Company's Series A Convertible Preferred Stock.
- Sale of the Company:** If an Investor Sale has not occurred and the Company elects to consummate a sale of the Company prior to maturity, then notwithstanding any provision of the Notes to the contrary (i) the

Company will give the holders of the Notes at least five days prior written notice of the anticipated closing date of such sale of the Company and (ii) the Company will pay the holder of each Note an aggregate amount equal to 1.5 times the amount of principal then outstanding under such Note, together with all accrued interest on such outstanding principal, in full satisfaction of the Company's obligations under such Note.

Prepayment: The Notes may be prepaid by the Company at any time prior to maturity of the Notes (whether at stated maturity, by acceleration or otherwise), in whole or in part, without consent of the Notes holders.

Amendments and Waivers: The Notes may be amended, and any term or provision of same may be waived upon the written consent of (i) the Company and (ii) the holders of a majority in principal amount of the Notes then outstanding.

Expenses: The Investors will bear their own fees and expenses incurred in connection with the transactions contemplated by this term sheet.

Documentation: Notes containing standard provisions will be prepared by Mintz Levin, counsel to the Company.

Except for the provisions above regarding "Expenses", which the parties intend to be binding whether or not the transaction is consummated, this Term Sheet is an expression of intention only and must not be construed as a binding agreement.

Signed on behalf of:

INVESTORS:

EGENESIS, INC.

By: _____
Name:
Title:

By: _____
Name:

By: _____
Name: