

Vail Industries
Term Sheet for Investment
Friends and Family Round

Our company is currently in development of a wearable device for children age 1-18 that will provide vitals monitoring, emergency alerts to changes in vitals, GPS location capability, band security measures to prevent removal by the child or by any threat and a comprehensive software application that enables the parent to track their child's information over time and relay it medical providers for evaluation. This device is the first of its kind and was designed by Vail Concepts Corp's founders after the sudden unexplained death of their 16 month old child. While the device is designed for use in children under 18, there is applicable use by adults with medical conditions, disabilities, and by senior adults as well. Our goal is to save the lives of children and create a source of data to further research in SUDC and other childhood illness.

This term sheet summarizes the principal terms with respect to a potential private placement of equity securities of Vail Concepts Corp. by a group of investors. This term sheet is intended solely as a basis for further discussion and is not intended to be and does not constitute a legally binding obligation.

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

| <u>Amount of Investment</u> | <u>Shares</u> | <u>% Ownership</u> |
|-----------------------------|---------------|--------------------|
| \$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 back their shares 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.