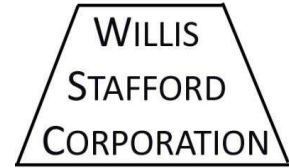


DELAWARE



THIS SERIES A PREFERRED STOCK PURCHASE AGREEMENT IS AN AGREEMENT BETWEEN A COMPANY AND A PARTY WISHING TO PURCHASE THE SERIES A PREFERRED STOCK OF THE COMPANY. THE STOCK IS ISSUED TO THE PURCHASING PARTY ON CERTAIN TERMS AND CONDITIONS AND IS THE FIRST ROUND OF STOCK OFFERED FOR SALE. THIS AGREEMENT CONTAINS MANY OF THE STANDARD PROVISIONS COMMONLY INCLUDED IN A PREFERRED STOCK PURCHASE AGREEMENT AND MAY BE CUSTOMIZED TO FIT THE SPECIFIC NEEDS OF THE PARTIES. THIS DOCUMENT SHOULD BE USED BY A COMPANY LOCATED IN DELAWARE SELLING SERIES A PREFERRED STOCK AND A PURCHASER OF SUCH STOCK.

SERIES A PREFERRED STOCK PURCHASE AGREEMENT

THIS SERIES A PREFERRED STOCK PURCHASE AGREEMENT (HEREINAFTER THE “AGREEMENT”) IS MADE AS OF ____ [MONTH] ____ [DATE], 20__ [YEAR], BY AND BETWEEN _____ [INSTRUCTION: INSERT THE NAME OF COMPANY] (HEREINAFTER THE “COMPANY”), A DELAWARE CORPORATION, WITH ITS PRINCIPAL OFFICE AT _____ [INSTRUCTION: INSERT THE ADDRESS OF COMPANY], AND _____ [INSTRUCTION: INSERT THE NAME OF PURCHASER] (HEREINAFTER THE “PURCHASER”), WITH REGISTERED ADDRESS AT _____ [INSTRUCTION: INSERT ADDRESS OF PURCHASER]. THE COMPANY AND THE PURCHASER MAY INDIVIDUALLY BE REFERRED TO AS “PARTY”, OR COLLECTIVELY AS THE “PARTIES”.

WHEREAS, THE COMPANY HAS AUTHORIZED THE SALE AND ISSUANCE OF UP TO AN AGGREGATE OF _____ [INSTRUCTION: INSERT NUMBER OF SHARES THE COMPANY HAS AUTHORIZED ISSUANCE AND SALE OF] SHARES OF ITS SERIES A PREFERRED STOCK (HEREINAFTER THE “SHARES”); AND

WHEREAS, THE COMPANY AND THE PURCHASER DESIRE TO ENTER INTO AN AGREEMENT REGARDING THE PURCHASE OF THE SHARES ON THE TERMS AND CONDITIONS SET FORTH HEREIN;

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL PROMISES, REPRESENTATIONS, WARRANTIES, AND COVENANTS HEREINAFTER SET FORTH AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

1. AGREEMENT TO SELL AND PURCHASE

A. AUTHORIZATION OF SHARES

THE SHARES SHALL HAVE THE RIGHTS, PREFERENCES, PRIVILEGES, AND RESTRICTIONS SET FORTH IN THE AMENDED AND RESTATED ARTICLES OF INCORPORATION OF THE COMPANY, IN THE FORM ATTACHED HERETO AS EXHIBIT A (THE "RESTATED CHARTER"). THE SHARES SHALL BE SOLD AT ONE OR MORE CLOSINGS (EACH, A "CLOSING"), PROVIDED THAT NO CLOSING SHALL OCCUR MORE THAN SIX MONTHS AFTER THE DATE OF THIS AGREEMENT.

B. SALE AND PURCHASE

SUBJECT TO THE TERMS AND CONDITIONS HEREOF, AT THE INITIAL CLOSING, THE COMPANY HEREBY AGREES TO ISSUE AND SELL TO THE PURCHASER, AND THE PURCHASER AGREES TO PURCHASE FROM THE COMPANY THE SHARES AT A PURCHASE PRICE OF \$ _____ [INSTRUCTION: INSERT THE PURCHASE PRICE OF SHARES] PER SHARE.

C. WARRANTS

AS FURTHER CONSIDERATION FOR THE PURCHASE OF THE SHARES, THE COMPANY SHALL ISSUE TO THE PURCHASER, AT THE CLOSING, A WARRANT, IN THE FORM ATTACHED HERETO AS EXHIBIT B (HEREINAFTER "WARRANT"), TO PURCHASE THE SAME NUMBER OF SHARES THE PURCHASER IS PURCHASING AT THE CLOSING.

2. CLOSING, DELIVERY, AND PAYMENT

A. CLOSING

I. THE CLOSING OF THE SALE AND PURCHASE OF THE SHARES UNDER THIS AGREEMENT (THE "INITIAL CLOSING") SHALL TAKE PLACE AT THE OFFICES OF THE COMPANY, OR AT SUCH OTHER TIME OR PLACE AS THE COMPANY AND THE PURCHASER MAY MUTUALLY AGREE (SUCH DATE IS HEREINAFTER REFERRED TO AS THE "INITIAL CLOSING DATE"). SUBSEQUENT CLOSINGS SHALL TAKE PLACE AT SUCH PLACES AND TIMES AS THE COMPANY AND THE PURCHASER PARTICIPATING IN SUCH CLOSINGS SHALL MUTUALLY AGREE, PROVIDED THAT NO CLOSINGS SHALL OCCUR AFTER __ [MONTH] __ [DATE], 20 __ [YEAR].

II. **SUBSEQUENT CLOSING:** ANY SALE AND ISSUANCE IN A SUBSEQUENT CLOSING SHALL BE ON THE SAME TERMS AND CONDITIONS AS THOSE CONTAINED HEREIN, AND THE PURCHASER SHALL, UPON EXECUTION AND DELIVERY OF THE RELEVANT SIGNATURE PAGES, BE BOUND BY THIS AGREEMENT, WITHOUT THE NEED FOR AN AMENDMENT TO THE AGREEMENT

AND SHALL HAVE THE RIGHTS AND OBLIGATIONS HEREUNDER, IN EACH CASE AS OF THE DATE OF THE APPLICABLE SUBSEQUENT CLOSING.

III. DELIVERY: AT THE INITIAL CLOSING, SUBJECT TO THE TERMS AND CONDITIONS HEREOF, THE COMPANY WILL DELIVER TO THE PURCHASER A CERTIFICATE REPRESENTING THE NUMBER OF SHARES TO BE PURCHASED AT THE INITIAL CLOSING BY THE PURCHASER, TOGETHER WITH THE PURCHASER'S WARRANT AGAINST PAYMENT OF THE PURCHASE PRICE THERE FOR BY CHECK, WIRE TRANSFER MADE PAYABLE TO THE ORDER OF THE COMPANY, CANCELLATION OF INDEBTEDNESS, OR ANY COMBINATION OF THE FOREGOING.

3. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

THE COMPANY HEREBY REPRESENTS AND WARRANTS TO THE PURCHASER AS OF THE DATE OF THIS AGREEMENT AND AS OF EACH CLOSING AS SET FORTH BELOW:

A. ORGANIZATION, GOOD STANDING, AND QUALIFICATION

THE COMPANY IS A CORPORATION DULY ORGANIZED, VALIDLY EXISTING, AND IN GOOD STANDING UNDER THE LAWS OF THE STATE OF DELAWARE. THE COMPANY HAS ALL REQUISITE CORPORATE POWER AND AUTHORITY TO OWN AND OPERATE ITS PROPERTIES AND ASSETS, TO CARRY ON ITS BUSINESS AS PRESENTLY CONDUCTED, TO EXECUTE AND DELIVER THIS AGREEMENT, AND TO ISSUE AND SELL SHARES AND THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THE SHARES (THE "CONVERSION SHARES").

B. SUBSIDIARIES

THE COMPANY DOES NOT OWN OR CONTROL, DIRECTLY OR INDIRECTLY, ANY INTEREST IN ANY CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY, ASSOCIATION, OR OTHER BUSINESS ENTITY.

C. CAPITALIZATION; VOTING RIGHTS

THE AUTHORIZED CAPITAL STOCK OF THE COMPANY, IMMEDIATELY PRIOR TO THE INITIAL CLOSING (AND AFTER THE FILLING OF THE RESTATED CHARTER), CONSISTS OF _____

[INSTRUCTION: INSERT THE AUTHORIZED CAPITAL STOCK OF THE COMPANY PRIOR TO INITIAL CLOSING] SHARES, OF WHICH _____ **[INSTRUCTION: INSERT THE NUMBER OF SHARES OF COMMON STOCK, WITHOUT PAR VALUE]** SHARES ARE DESIGNATED AS SHARES OF COMMON STOCK, WITHOUT PAR VALUE AND _____ **[INSTRUCTION: INSERT THE NUMBER OF SHARES DESIGNATED AS SERIES A PREFERRED STOCK]** SHARES ARE DESIGNATED AS SERIES A PREFERRED STOCK. EXCEPT FOR THE FOREGOING, AND EXCEPT AS MAY BE GRANTED PURSUANT TO, OR AS CONTEMPLATED BY, THIS AGREEMENT, THERE ARE NO

OUTSTANDING OPTIONS, WARRANTS, RIGHTS (INCLUDING CONVERSION OR PREEMPTIVE RIGHTS AND RIGHTS OF FIRST REFUSAL), PROXY OR SHAREHOLDER AGREEMENTS, OR AGREEMENTS OF ANY KIND FOR THE PURCHASE OR ACQUISITION FROM THE COMPANY OF ANY OF ITS SECURITIES.

D. AUTHORIZATION

ALL CORPORATE ACTION ON THE PART OF THE COMPANY AND ITS DIRECTORS, OFFICERS, AND SHAREHOLDERS NECESSARY FOR THE AUTHORIZATION, EXECUTION, AND DELIVERY OF THE AGREEMENT BY THE COMPANY, THE AUTHORIZATION, SALE, ISSUANCE, AND DELIVERY OF SHARES AND THE CONVERSION SHARES, AND THE PERFORMANCE OF ALL OF THE COMPANY'S OBLIGATIONS UNDER THE AGREEMENT HAS BEEN TAKEN OR WILL BE TAKEN PRIOR TO THE INITIAL CLOSING. THIS AGREEMENT, WHEN EXECUTED AND DELIVERED BY THE COMPANY, SHALL CONSTITUTE THE VALID AND BINDING OBLIGATION OF THE COMPANY, ENFORCEABLE IN ACCORDANCE WITH ITS TERMS, EXCEPT (I) AS LIMITED BY LAWS OF GENERAL APPLICATION RELATING TO BANKRUPTCY, INSOLVENCY, AND THE RELIEF OF DEBTORS, AND (II) AS LIMITED BY RULES OF LAW GOVERNING SPECIFIC PERFORMANCE, INJUNCTIVE RELIEF, OR OTHER EQUITABLE REMEDIES AND BY GENERAL PRINCIPLES OF EQUITY.

E. FINANCIAL CONDITION

THE COMPANY HAS FURNISHED TO THE PURCHASER AN UNAUDITED BALANCE SHEET OF THE COMPANY DATED ___ [MONTH]___[DATE], 20___ [YEAR] (THE "FINANCIAL STATEMENTS"). SUBJECT TO THE INFORMATION IN THIS SECTION, THE COMPANY WARRANTS THAT THE COMPANY'S FINANCIAL STATEMENTS ARE CORRECT IN ALL MATERIAL RESPECTS AND PRESENT FAIRLY THE FINANCIAL CONDITION OF THE COMPANY AS OF THE DATE INDICATED THEREIN. EXCEPT AS SHOWN ON THE FINANCIAL STATEMENTS, THE COMPANY HAS NO MATERIAL LIABILITIES AND, TO THE BEST OF ITS KNOWLEDGE, KNOWS OF NO MATERIAL CONTINGENT LIABILITIES NOT DISCLOSED IN THE FINANCIAL STATEMENTS, EXCEPT CURRENT LIABILITIES INCURRED IN THE ORDINARY COURSE OF BUSINESS SINCE THE DATE OF THE FINANCIAL STATEMENTS, WHICH HAVE NOT BEEN, EITHER IN ANY INDIVIDUAL CASE OR IN THE AGGREGATE, MATERIAL TO THE FINANCIAL CONDITION OR OPERATING RESULTS OF THE COMPANY. SINCE THE DATE OF THE FINANCIAL STATEMENTS, THERE HAS NOT BEEN, TO THE COMPANY'S KNOWLEDGE, ANY CHANGE IN THE ASSETS, LIABILITIES, FINANCIAL CONDITION, PROSPECTS, OR OPERATIONS OF THE COMPANY FROM THAT REFLECTED IN THE FINANCIAL STATEMENTS, OTHER THAN CHANGES IN THE ORDINARY COURSE OF BUSINESS, NONE OF WHICH INDIVIDUALLY OR IN THE AGGREGATE HAS HAD OR IS REASONABLY EXPECTED TO HAVE A MATERIAL ADVERSE EFFECT ON SUCH ASSETS, LIABILITIES, FINANCIAL CONDITION, PROSPECTS, OR OPERATIONS OF THE COMPANY;