



Apple World Wide Markets Seed Program
6764 Preston Ave. Suite A. Livermore CA 94551
Phone (925) 961-8700 Fax: (408) 516-9776
Email: warehouse@techitsolutions.com

Apple Seed Program

Date: 2/15/2005
To: Christian Malone
Email: christian@chesa.com
Phone: 410-808-7897

Hello,

Thank you for participating in our equipment seed program. This program enables specially designated customers like yourself to "test drive" our new products at no charge. Due to the limited amount of seed equipment, we rely on your **prompt return** of these products after your evaluation period so that we may make them available to other valued customers.

Please read the following information, sign and date the bottom of page 3 below your company name and **fax the entire signed agreement back** to (408) 516-9776

Apple will pay for shipping to your location. The **return shipping is your responsibility.**

Please return all manuals, parts, accessories, software and internal parts with the equipment. Do not remove any video cards, memory, or other items from the machines. We cannot loan equipment out again without all of the parts. Please **do not** put stickers, tape, or any other type of label with adhesive on the equipment. Please return the equipment on the date that it is due, in the correct box, and in the same condition as you received it. Please ship the equipment back at the **3-day Economy rate.** We have found that timely shipping prevents equipment loss.

Thank you again for evaluating Apple products.

Please call me if you have any questions.

Thank you,
Dave Arnold
925-961-8700

EXHIBIT A

APPLE Worldwide Markets SEED PROGRAM EQUIPMENT LOAN AGREEMENT

Apple Computer, Inc. ("Apple"). agrees to deliver and Christian Malone (Recipient"), agrees to receive on loan, the equipment, software, supplies, or other materials ("Equipment") listed on EXHIBIT B.

Shipping Address	Responsible Party	Return Address
Christian Malone Chesapeake Systems 3000 Chestnut Ave. Suite 117 Baltimore, MD 21211	Christian Malone 410-808-7897 christian@chesa.com	Attn: Dave Arnold 6764 Preston Ave. Suite A. Livermore CA 94551 United States Telephone: 925-961-8700

Intended Purpose	For Use	Apple to Deliver	Date to Ship back to Apple
Temporary Loan	RealScreen Summit	2/8/2005	2/14/2005

In exchange for the loan of this Equipment, Recipient hereby agrees to use the Equipment only for the following purposes stated above and further agrees to the following terms and conditions:

1. Once executed by both parties, the period of this Agreement will be until termination pursuant to Section 14 hereof.
2. Title to the Equipment (including all spare or maintenance parts) will remain vested in Apple. Nothing in this Agreement will be construed as conveying to the Recipient any right, title or interest in the Equipment, except as a borrower and only for the limited purposes set forth herein. At Apple's request, Recipient will join with Apple in executing one or more financing statements regarding any or all of the Equipment, pursuant to the Uniform Commercial Code.
3. Recipient will be responsible for physical loss of or damage done to the Equipment while in the possession or control of Recipient. Apple will arrange for delivery of the Equipment to Recipient. Recipient assumes this liability when Recipient takes possession of the Equipment or when the common carrier or other entity selected by Apple to deliver the Equipment to Recipient surrenders possession of the same to Recipient or its agent. Recipient's liability for physical loss or damage done to Equipment lent to it by Apple ends when Recipient returns the Equipment to Apple in the same condition as it was provided to Recipient, except for normal wear. For physical loss of or damage to the Equipment covered by this Agreement, Recipient will be obligated to reimburse Apple in an amount equal to the cost of such Equipment as specified in Apple's Price List in effect at the beginning of the loan. This paragraph will survive termination of this Agreement.
4. THE EQUIPMENT IS PROVIDED TO RECIPIENT "AS IS," AND APPLE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
5. APPLE WILL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT OR DIRECT DAMAGES ARISING OUT OF THIS AGREEMENT OR THE USE OR OPERATION OF THE EQUIPMENT. Recipient will defend, indemnify and hold Apple harmless against any and all claims, demands, liabilities and expenses (including but not limited to attorneys fees and costs of suit) arising out of or in connection with this Agreement or Recipient's possession operation of equipment, other than claims arising solely from the Equipment's infringement of a third party's copyright, patent rights, trade secrets, or trademark rights. This paragraph will survive termination of this agreement.
6. During the term of this Agreement, **the set-up, packing and return shipping of the Equipment will be the responsibility of Recipient.**
7. Recipient agrees not to make changes or alterations to the Equipment without the prior written consent of Apple, nor will Recipient use any Equipment for any purpose other than as stated above. Recipient will, however, provide adequate opportunity to make any changes, alterations or exchanges which Apple deems necessary or desirable. Recipient will not copy or otherwise reproduce, reverse engineer, disassemble, or decompile any Software components of the Equipment.
8. Recipient agrees not to move the Equipment from the Site, without Apple's prior written approval.

9. Recipient will not assign this Agreement, or any of its rights or obligations hereunder, without the written consent of Apple, and any attempted assignment will be null and void. Subject to Recipient's rights hereunder, Apple may assign this Agreement, any of the Equipment, and any of Apple's rights hereunder.

10. Recipient will not directly or indirectly create or permit to exist any mortgage, security interest, lien, encumbrance or claim against the Equipment, title thereto, or any interest therein. Recipient will promptly, at its own expense, take such action as may be necessary to duly discharge any such mortgage, security interest, lien, encumbrance or claim against the Equipment, title thereto, or any interest therein, if it arises.

11. Unless renewed earlier by the written mutual agreement of the parties, this Agreement will terminate on date of return above. Notwithstanding the above; either party may terminate this Agreement upon ten (10) days written notice to the other. Within seven (7) days following termination, Recipient will return the Equipment to Apple or its agents, and Recipient will prepay all shipping charges and insurance fees. This paragraph will survive termination of this Agreement.

12. If Recipient does not return the lent Equipment to Apple within seven (7) days of the termination of this Agreement, the matter will then be turned over to a collection agency. Apple reserves the right to invoice Recipient, through the collection agency, for the "Equipment Value"; and Recipient shall pay such amount within thirty (30) days of receipt of invoice. Recipient will be obligated to reimburse Apple for any expenses incurred by Apple in going to collection, and shall pay for these expenses within thirty (30) days of receipt of invoice. This paragraph will survive termination of this agreement.

13. This Agreement will be construed in accordance with the laws of the State of California and the United States of America, excluding that body of law related to choice of law. Any action or proceeding brought to enforce the terms of this Agreement will be brought in the County of Santa Clara, State of California (if under State law) or the Northern District of California (if under Federal law).

14. This Agreement is the entire understanding of the parties regarding the subject matter hereof, and it supersedes all other discussions, representations and communications with respect to such subject matter. No waiver, modification or cancellation of any terms or conditions of this Agreement will be effective unless executed in writing by the party charged therewith. No written waiver will excuse the performance of any act other than those specifically referred to in such written waiver.

IN WITNESS WHEREOF, the parties here to have each executed this Agreement by their representatives signing below.

Apple Computer, Inc.
1 Infinite Loop
MS 50EL
Cupertino, CA 94550
David Arnold
Phone: 925-961-8700
Fax: 925-961-8701
By: David Arnold
Title: Logistics Manager
Date:

Christian Malone
Chesapeake Systems
3000 Chestnut Ave.
Suite 117
Baltimore, MD 21211
Christian Malone
Phone: christian@chesa.com
Fax:
By: _____
Title: _____
Date: _____

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