SERIES A OFFERING TERM SHEET

Issuer: Open Mind Investors, Inc.

Type of Security: Series A Preferred Stock

Number of Shares: 500

Price per Share: $500

Total Offering Amount: $250,000

Valuation: $500,000

Closing Date: [insert date]

Use of Proceeds:

Product Development: $150,000

Marketing and Sales: $50,000

General and Administrative: $25,000

Reserve: $25,000

Dividend: None

Voting Rights: Each share of Series A Preferred Stock will entitle the holder to one vote per share on all matters submitted to a vote of the stockholders of the Company.

Liquidation Preference: In the event of any liquidation, dissolution or winding up of the Company, holders of Series A Preferred Stock will be entitled to receive in preference to the holders of Common Stock, an amount equal to [insert liquidation preference]. After payment of the liquidation preference, the remaining assets of the Company will be distributed pro rata to holders of Series A Preferred Stock and Common Stock on an as-converted basis.

Board Representation: The Company will appoint [insert number] individuals designated by the holders of Series A Preferred Stock to serve on the Company's Board of Directors.

Protective Provisions: The Company shall not, without the consent of the holders of at least [insert percentage] of the outstanding shares of Series A Preferred Stock, (i) alter or change the rights, preferences, privileges or restrictions of the Series A Preferred Stock, (ii) create any new class or series of capital stock having rights, preferences, privileges or restrictions senior to or on a parity with the Series A Preferred Stock, (iii) amend its certificate of incorporation or bylaws in any manner that adversely affects the rights of the holders of the Series A Preferred Stock, or (iv) enter into any merger, consolidation or sale of all or substantially all of its assets.

Right of First Refusal: In the event that any holder of Series A Preferred Stock proposes to transfer any shares of Series A Preferred Stock, such holder shall first offer such shares to the Company and the other holders of Series A Preferred Stock on a pro rata basis.

Registration Rights: The holders of Series A Preferred Stock shall have demand and piggyback registration rights under applicable securities laws.

Information Rights: The Company shall provide to the holders of Series A Preferred Stock annual and quarterly financial statements and such other information regarding the Company as may be reasonably requested by such holders.

Anti-Dilution Protection: The Series A Preferred Stock shall have customary anti-dilution protection in the event of any stock split, stock dividend, combination, recapitalization, reclassification or similar event affecting the Common Stock.

Closing Conditions: The closing of the purchase and sale of the Series A Preferred Stock shall be subject to certain conditions, including but not limited to (i) satisfactory completion of due diligence by the investors, (ii) execution of definitive transaction documents, and (iii) receipt of any necessary regulatory approvals.

Governing Law: This term sheet shall be governed by and construed in accordance with the laws of the State of [insert state].