

CUTTING EDGE CAPITAL
REVENUE SHARING AGREEMENT

This Agreement, dated _____, is entered into by and between CUTTING EDGE CAPITAL, a California corporation (“Company”) and _____ (“Investor”).

THE INVESTOR UNDERSTANDS THAT THE INVESTMENT CONTEMPLATED BY THIS AGREEMENT HAS NOT BEEN REVIEWED, APPROVED, OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF ANY INFORMATION GIVEN TO THE INVESTOR OR ANY OTHER INVESTOR IN ASSOCIATION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE INVESTOR ACKNOWLEDGES AND AGREES THAT IN MAKING AN INVESTMENT DECISION, IT MUST RELY ON ITS OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THERE IS NO GUARANTEE OF RETURNS. INVESTOR FURTHER ACKNOWLEDGES AND AGREES THAT IT MAY LOSE ITS ENTIRE INVESTMENT.

1. Investment

Investor agrees to invest the following amount: \$_____ (“Investment Amount”).

2. Revenue Sharing

Beginning on the “Start Date” (the date on which impounded offering proceeds are released to the Company, or, if the Investor invests after the date on which the impounded offering proceeds are released to the Company, the date on which the Company deposits Investor’s investment into Company’s account), the Investor shall be entitled to receive the following annual payment from the Company:

$((\text{Investment Amount}/\$100,000) \times 4\%) \times \text{Company Annual Revenue}$

“Company Annual Revenue” shall be defined as total revenue for the Company’s respective fiscal year (which is the calendar year) calculated on a cash basis, excluding any revenue attributable to rebates or refunds. Note that the Company presents its financial statements on an accrual basis. For purposes of calculating Company Annual Revenue, the Company’s CPA shall calculate total revenue on a cash basis at the end of each fiscal year.

In the first year, the amount due shall be pro-rated as follows: the annual payment shall be multiplied by the number of days remaining in the calendar year following the Start Date and divided by 365.

Following the first year, the Investor shall be entitled to four additional annual payments. In the fifth year, the final payment shall be calculated as follows:

$((\text{Investment Amount}/\$100,000) \times 4\%) \times \text{Company Annual Revenue} \times ((365 - \text{number of days between Start Date and December 31 of the first year})/365)$

The annual payment shall be made within 60 days of the close of the fiscal year of the Company.

The following chart provides an illustration (please note that this chart does not constitute a projection – it is intended simply to illustrate the way in which payments will be made under this Agreement).

Assumptions:

Start date = July 15, 2012

Investment amount = \$37,500

year	# of days	revenue share %age	total company annual revenue	annual payment
1	169	1.50%	500,000	3,473
2	365	1.50%	600,000	9,000
3	365	1.50%	750,000	11,250
4	365	1.50%	1,000,000	15,000
5	365	1.50%	1,200,000	18,000
6	196	1.50%	1,300,000	10,471
TOTAL PAYMENTS TO INVESTOR				67,194

3. Termination

This Agreement shall terminate upon the fifth anniversary of the Company's first payment to Investor. Section 4 shall survive termination of the Agreement.

4. Representations, Warranties and Covenants of the Investor

The Investor represents and warrants to, and covenants with, the Company that:

4.1 Suitability. The Investor is a suitable investor, as provided for in the Offering Memorandum, incorporated by reference herein. The Investor shall indemnify, hold harmless, and pay all fees and expenses that are incurred by, and all judgments and claims made against the Company, its affiliates, and counsel, for any liability that is incurred as a result of any misrepresentation made regarding suitability.

4.2 Risk Factor Review. The Investor has carefully read and fully understands the risks involved with an investment in the Company including, without limitation, the risks identified in the Offering Memorandum. In particular, the Investor understands that the only return to the Investor will be the six annual payments described in Section 2. The Investor is not entitled to receive the original Investment Amount upon termination of this Agreement. It is possible that the Investor could lose all or part of its original investment.

4.3 Evaluation of Risks. Investor has the requisite knowledge to assess the relative merits and risks of this investment, or has relied upon the advice of Investor's professional advisors with regard to an investment in the Company. The Investor acknowledges that the Company has made available to it the opportunity to ask questions of and receive answers from the Company's officers and directors concerning the terms and conditions of this Agreement and the business and financial condition of the Company, and Investor has received to its satisfaction, such information about the

business and financial condition of the Company and the terms and conditions of the Agreement as it has requested.

4.4 No Registration. Investor understands that this securities offering and sale have not been registered under the Securities Act of 1933, as amended. Investor understands that its investment must be held for the term of this Agreement unless the sale or other transfer thereof is subsequently registered under the Securities Act or an exemption from such registration is available.

4.5 Advice. The Investor understands that nothing in this Agreement or any other materials presented to the Investor in connection with this offering constitutes legal, tax, or investment advice. The Investor has consulted such legal, tax, and investment advisors, as it, in its sole discretion, has deemed necessary or appropriate in connection with its investment.

4.6 Own Account. Investor is acquiring the investment for its own account for investment only and with no present intention of distributing the investment or making any arrangement or understanding with any other persons regarding the distribution of such investment.

4.7 No Resale. The Investor will not, directly or indirectly, offer, sell, pledge, transfer, or otherwise dispose of (or solicit any offers to buy, purchase, or otherwise acquire or take a pledge of) this investment except in compliance with the Securities Act, applicable state securities laws, and the respective rules and regulations promulgated thereunder.

4.8 Complete Information. All information provided by Investor to the Company in connection with the investment, including status, financial position, and knowledge and experience of financial and business matters is correct and complete as of the date set forth hereof, and if there should be any change in such information prior to the subscription being accepted, the Investor will immediately provide the Company with such information.

4.9 Ability to Bear Economic Risk. The overall commitment of Investor to investments which are not readily marketable is not excessive in view of the Investor's net worth and financial circumstances, and this investment will not cause such commitment to become excessive. Investor is able to bear the economic risk of this investment.

4.10 Authority; Binding Agreement. Investor further represents and warrants to, and covenants with, the Company that (i) Investor has full right, power, authority, and capacity to enter into this Agreement and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery, and performance of this Agreement, and (ii) this Agreement constitutes a valid and binding obligation of Investor enforceable against the Investor in accordance with its terms.

4.11 Advice of Counsel. Investor acknowledges that any legal counsel for the Company is legal counsel solely for the Company regarding this investment and not for Investor, and that Investor may want to have its own legal counsel review this Agreement (and related materials) before signing. Investor acknowledges that any accounting firm for the Company is the accounting firm solely for the Company and not for Investor, and that Investor may want to have its own accountant review this Agreement (and related materials) before signing.

5. Notices

All notices, requests, consents, and other communications hereunder shall be in writing, and shall be mailed (A) if within the United States by first-class registered or certified mail, or nationally recognized overnight express courier, postage prepaid, or by facsimile, or (B) if outside the United States, by International Federal Express or facsimile, and shall be deemed given (i) if delivered by first-class registered or certified mail, three business days after so mailed, (ii) if delivered by nationally recognized overnight carrier, one business day after so mailed, (iii) if delivered by International Federal Express, two business days after so mailed, and (iv) if delivered by facsimile, upon electronic confirmation of receipt and shall be delivered addressed as follows:

- (a) if to the Company, to:

Cutting Edge Capital
436 14th Street, Suite 1120
Oakland, California 94536

Or any address provided in writing by the Company to the Investor for the purpose of notices;

- (b) if to the Investor, at its address on the signature page hereto, or at such other address or addresses as may have been furnished to the Company in writing.

6. Entire Agreement and Amendments

This Agreement may not be modified or amended except pursuant to an instrument in writing signed by the Company and the Investor. Except as otherwise expressly provided herein, this Agreement represents the entire agreement between the Investor and the Company regarding the subject matter hereof and supersedes all prior or contemporaneous communications, promises, and proposals, whether oral, written, or electronic, between them.

7. Severability

In case any provision contained in this Agreement should be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

8. Governing Law

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of California, without giving effect to the principles of conflicts of law.

9. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one instrument, and shall become effective when one or more counterparts have been signed by each party hereto and delivered to the other party.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first written above.

COMPANY: CUTTING EDGE CAPITAL

INVESTOR: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Address: _____

City, State Zip: _____

Phone: _____

Email: _____

IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE CALIFORNIA CORPORATIONS COMMISSIONER OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES.