

# Karlville HP Indigo Pack Ready Laminator

## LETTER OF INTENT

This Karlville Pack Ready Laminator Letter of Intent (the "Letter") is intended to set forth and summarize the mutual understandings of Karlville Development, LLC, (Karlville), and ("Customer") with respect to the possible purchase of an Karlville Pack Ready Laminator. Except as set forth below under Binding Provisions, no binding agreement between the parties exists as to the intended transaction. The parties agree to proceed at their own risk and expense regarding the subject matter of this Letter. This Letter shall expire/terminate upon (i) execution of a formal agreement for the purchase of an Karlville Pack Ready Laminator or (ii) failure of Customer to forward the Deposit amount to Karlville within thirty (30) days of the date confirmed online via pre-order system; or (iii) termination of this Letter (in writing by either party, whichever is earlier, **but in no event** will this Letter extend later than 90 days from commercial release of the Karlville Pack Ready Laminator.

### Non-Binding Provisions

- It is the intent of Karlville to release the Karlville Pack Ready Laminator for commercial sale in second quarter 2017.
- If the parties were to enter into a formal, binding agreement for the purchase of an Karlville Pack Ready Laminator, as well as the provision of related supplies and service, (the "Agreements"):
  - Karlville would provide Customer with one (1) Karlville Pack Ready Laminator in a configuration to be detailed in the Agreements, The laminator will be supplied within nine (6) months following commercial release. The current non-binding list price for the basic configuration of the Karlville Pack Ready Laminator is \$255,000 (USD) each. The above list price is provided as a reference only and is subject to change. The final price shall be negotiated by the parties and agreed upon in the final and binding agreement.
  - Customer would purchase the Karlville Pack Ready Laminator and service in accordance with mutually agreed upon terms and pricing, as specified in the Agreements.
- This Letter is not intended as a complete statement of all terms and conditions of the transaction currently being considered by the parties. Rather, essential issues and specifics of the transaction are not addressed in this letter but would be addressed in definitive Agreements executed between the parties at a future date.

### Binding Provisions

- In order to secure Customer's request to receive an Karlville Pack Ready Laminator during the first six (6) months following its commercial release, and to enable Karlville to assess potential demand and plan production, the parties hereby undertake as follows:
  - The parties shall you commercially reasonable efforts to execute final and binding Agreement(s) prior to the anticipated date for its commercial release;
  - Subject to the execution of a binding Agreement for the purchase of an Karlville Pack Ready Laminator per section above, Karlville will supply a Karlville Pack Ready Laminator to Customer within six (6) months following the commercial release;

- Customer agrees to pay Karlville via web or within thirty (30) days of the date of web confirmation the sum of two thousand five hundred dollars (\$2,500.00 USD). Karlville will deposit this amount in Karlville's segregated bank account. Karlville agrees to and shall apply this amount to the purchase price for the Equipment should the parties execute a binding Customer Agreement and Hardware Transaction Document for the purchase and sale of the Equipment by Customer from Karlville. The parties agree that the Equipment will be sold to Customer under Karlville's Customer Agreement and Hardware Transaction Document, and that the purchase details are subject to negotiation. Each party intends to move forward in good faith to finalize such Equipment purchase and sale. Each party will inform the other promptly in the event that its intent as expressed in this Letter changes. Each party agrees to proceed at its own risk and expense regarding the subject matter of this Letter;
- Either party may, for any reason whatsoever, elect to terminate this Letter at any time prior to the execution of the Agreements without legal consequence of any kind, including but not limited to penalties or compensation upon termination. In the event of expiration or termination of this Letter, the deposit shall be returned to Customer in its nominal value at the address set forth above within forty-five (45) days of the date written notice of Termination is received by the non-terminating party. In the event Customer executes the binding Agreements necessary to purchase the Karlville Pack Ready Laminator, the deposit shall be used to apply toward the purchase price.
- The parties agree that the content of this Letter and the fact of its execution, including any subsequent discussions and/or documents produced is confidential and shall not be disclosed to any third party without the prior written consent of the other party. Notwithstanding the above: (i) Karlville may disclose the LOI and the fact of its execution to other companies within the Karlville group of companies, and (ii) Karlville shall be entitled to publicly relate to the execution of Letters of Intent for the purchase of Karlville Pack Ready Laminator, without reference to customer names.
- The parties agree that they shall deal in good faith with each other to create an agreement and that each party will inform the other promptly in writing in the event that it elects to terminate this Letter. The parties acknowledge that any tentative agreement that may result from further discussions will be subject to internal approvals within Karlville. In the event that parties do not execute a binding agreement prior to the date set forth in this section above, then unless otherwise agreed upon by the parties in writing, this Letter of Intent shall be deemed to have terminated and the provisions above with respect to the deposit shall apply.
- Customer acknowledges and agrees that any descriptions, specifications, capabilities, pricing and other characteristics of the Karlville Pack Ready Laminator are subject to change, and that availability dates are estimates only. Karlville reserves the right to make all development and release decisions related to the product, including termination or postponement of development or release. Karlville is under no obligation to release or sell the Karlville Pack Ready Laminator or any similar product.
- It is expressly understood that this Letter is not intended to be enforceable by either party except with respect to the Binding Provisions. If the parties execute a definitive Agreement, that agreement shall supersede this Letter. However, failure to achieve a more complete agreement shall not limit the enforceability of the provisions in this Letter specified to be binding.
- No oral agreement or conduct of the parties (including partial performance) shall be deemed to impose any obligation or liability on either party. This Letter creates no relationship of joint venture, partnership, or agency between the parties, and the parties acknowledge that no other facts or relations exist that would create any such relationship. There are no implied terms.
- This Letter of Intent is governed by, and shall be construed in accordance with the laws of Miami-Dade County, Florida. The parties submit to the exclusive jurisdiction of the courts of Florida.
- These provisions of the LOI are effective upon the date your "LOI Deposit" is received.