

THIS STOCK PURCHASE WARRANT AND THE SHARES OF STOCK ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED IN THE ABSENCE OF REGISTRATION OR THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION UNDER THE ACT AND REGULATIONS PROMULGATED THEREUNDER AND APPLICABLE STATE SECURITIES LAWS.

COMPANY NAME HERE, INC.

FIVE-YEAR STOCK PURCHASE WARRANT

Expiring _____, 2005

Warrant No. _____

COMPANY NAME HERE, INC., a Washington corporation (the “Company”), hereby certifies that, for value received, _____, or his permitted assigns (the “Holder”), is entitled, subject to the terms and conditions herein set forth, to purchase from the Company at any time after the earlier of (1) the closing of a Qualified Financing (as defined in the Note) and (2) one year from the date hereof and before 5:00 p.m. Pacific Standard Time on _____, 2005, that number of equity securities of the Company as described in Section 1 below at a per share purchase price of \$0.01 (the “Warrant Shares”). The number of Warrant Shares for which this Warrant may be exercised are subject to adjustment as provided herein. This Warrant is to be issued in conjunction with that certain Note, dated _____, 2000, issued to Holder by the Company (the “Note”).

1. Calculation of Number of Warrant Shares.

(a) If the principal balance of the Note (the “Note Balance”) is converted into equity securities of the Company within one (1) month from the date hereof, the Warrant Shares issuable hereunder shall be Common Stock and the number of Warrant Shares issuable hereunder shall be equal to twenty percent (20%) of the total number of shares into which the Note Balance was converted.

(b) If the Note Balance is not converted into equity securities of the Company within the first month from the date hereof but subsequently so converts, the Warrant Shares issuable hereunder shall be Common Stock and the number of Warrant Shares issuable hereunder shall be equal to the sum of (1) twenty percent (20%) of the total number of shares into which the Note Balance was converted plus (2) the product of (x) the number of months that have elapsed from the date of this Warrant, and (y) five percent (5%) of the total number of shares into which the Note Balance was converted. The maximum number of shares of Common Stock issuable under this paragraph shall be fifty percent (50%) of the total number of shares into which the Note Balance was converted.

(c) Notwithstanding the foregoing, if at any time the Note is paid in full without conversion of the Note Balance into equity securities of the Company, the Warrant Shares shall be issuable as Common Stock. The number of Warrant Shares issuable hereunder shall be equal to that number of shares of Common Stock then having a fair market value (determined by the Board of Directors) equal to twenty percent (20%) of the Note Balance, plus five percent (5%) of the Note Balance for each month that shall have elapsed between (1) the date hereof and (2) the date of repayment of the Note up to a maximum of 50% of the Note Balance.

2. Adjustment of Number of Warrant Shares. The number of Warrant Shares issuable upon the exercise of this Warrant shall be subject to adjustment from time to time as set forth below, and the Company agrees to provide notice upon the happening of certain events as set forth below:

(a) Stock Splits, Dividends and Stock Combinations. In case the Company shall at any time subdivide the outstanding shares of Common Stock into which this Warrant is then convertible into a greater number of shares, or shall issue a stock dividend on such shares or on any security or right convertible into such shares, the number of shares of Common Stock issuable upon exercise of this Warrant shall be proportionately increased, and in case the Company shall at any time combine the outstanding shares of Common Stock into which this Warrant is then convertible, the number of shares of Common Stock issuable upon exercise of this Warrant shall be proportionately decreased, effective at the time of such subdivision, dividend or combination, as the case may be.

(b) Reclassification, Reorganization or Merger. In case of any reclassification, capital reorganization or other change in the outstanding shares of Common Stock, or in the case of any consolidation or merger of the Company with or into another corporation or business entity (other than a consolidation or merger (i) with a subsidiary in which the Company is the surviving corporation or (ii) which does not result in any reclassification, capital reorganization or other change of outstanding shares of Common Stock), the Company shall cause effective provision to be made so that the Holder shall have the right thereafter by exercising this Warrant to purchase such amount of shares of Common Stock which such Holder would have received had such Holder exercised this Warrant in full immediately prior to such reclassification, capital reorganization or other change, consolidation or merger (including, without limitation, provisions for adjustments of the number of shares of Common Stock purchasable and receivable upon exercise of this Warrant). The foregoing provisions of this subsection 2(b) shall similarly apply to successive reclassifications, capital reorganizations and other changes, consolidations or mergers.

(c) Certificate of Adjustment. Whenever the number of Warrant Shares is adjusted, as herein provided, the Company shall promptly deliver to the record holder of this Warrant a certificate of an officer of the Company setting forth the nature of such adjustment and a brief statement of the facts requiring such adjustment.

3. No Stockholder Rights. This Warrant, by itself as distinguished from the shares purchasable hereunder, shall not entitle the Holder to any of the rights of a stockholder of the Company.

4. Authorization and Reservation of Stock. The Company will reserve from its authorized and unissued capital stock a sufficient number of shares of Common Stock issuable upon exercise hereof to provide for the issuance of Common Stock on the exercise of this Warrant. Issuance of this Warrant shall constitute full authority to the Company's officers who are charged