

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Schedule 13D

Under the Securities Exchange Act of 1934

Amerigon Incorporated

(Name of Issuer)

Common Stock, No Par Value

(Title of Class of Securities)

03070L 30 0

(CUSIP Number)

George L. Argyros
Arnel Development Company
949 South Coast Drive, Suite 600
Costa Mesa, CA 92626
(714) 481-5000

with a copy to:

Thomas M. Wheeler
TMW Enterprises Inc.
801 West Big Beaver Road, Suite 201
Troy, MI 48084
(248) 362-3620

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

March 29, 1999

(Date of Event which Requires Filing
of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box

(Continued on following pages)

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

George L. Argyros

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

(a)

(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

NUMBER OF

SHARES

8 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

340,000

EACH

9 SOLE DISPOSITIVE POWER

REPORTING

PERSON

10 SHARED DISPOSITIVE POWER

WITH

340,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

340,000 shares of Class A Common Stock held as follows: (i) 40,000 shares owned by Mr. Argyros and (ii) 300,000 shares subject to a warrant held by Big Star Investments LLC that is exercisable only upon the occurrence of certain conditions described in Item 4, none of which has occurred as of the date hereof. Mr. Argyros disclaims beneficial ownership of the shares underlying such warrant until such time as such shares are purchased upon the exercise of the warrant.

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES
(See Instructions)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

12.1% (after giving effect to the exercise of the warrant).

14 TYPE OF REPORTING PERSON (See Instructions)

IN

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Thomas M. Wheeler

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)

00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		340,000
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		340,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
340,000 shares of Class A Common Stock held as follows: (i) 40,000 shares owned by Mr. Argyros; and Mr. Wheeler disclaims beneficial ownership of these shares and (ii) 300,000 shares subject to a warrant held by Big Star Investments LLC that is exercisable only upon the occurrence of certain conditions described in Item 4, none of which has occurred as of the date hereof. Mr. Wheeler disclaims beneficial ownership of the shares underlying such warrant until such time as such shares are purchased upon the exercise of the warrant.

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

12.1% (after giving effect to the exercise of the warrant).

14 TYPE OF REPORTING PERSON (See Instructions)

IN

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

Big Star Investments LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)
(a) [X]
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)
00

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT
TO ITEMS 2(d) or 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

	7	SOLE VOTING POWER
NUMBER OF		
SHARES		
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		340,000
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		
PERSON		
WITH	10	SHARED DISPOSITIVE POWER
		340,000

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
340,000 shares of Class A Common Stock held as follows: (i) 40,000 shares owned by Mr. Argyros; and Big Star Investments LLC disclaims beneficial ownership of these shares and (ii) 300,000 shares are subject to a warrant held by Big Star Investments LLC that is exercisable only upon the occurrence of certain conditions described in Item 4, none of which has occurred as of the date hereof. Big Star Investments LLC disclaims beneficial ownership of the shares underlying such warrant until such time as such shares are purchased upon the exercise of the warrant.

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (See Instructions)
 []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
12.1% (after giving effect to the exercise of the warrant).

14 TYPE OF REPORTING PERSON (See Instructions)
00

ITEM 1. SECURITY AND ISSUER.

This statement on Schedule 13D relates to the Class A Common Stock, no par value (the "Issuer Common Stock"), of Amerigon Incorporated, a California corporation (the "Issuer"). The principal executive offices of the Issuer are located at 5462 Irwindale Avenue, Irwindale, California 91706.

ITEM 2. IDENTITY AND BACKGROUND.

The persons filing this Schedule 13D are Big Star Investments LLC ("Big Star"), George L. Argyros, and Thomas M. Wheeler (collectively the "Reporting Persons").

Big Star is a Delaware limited liability company formed for the purpose of entering into a Credit Agreement with the Issuer (a copy of which is attached as an exhibit hereto) and making the loan pursuant thereto. Big Star's principal business address is c/o Westar Capital, 949 South Coast Drive, Suite 650, Costa Mesa, California 92626, and its managing members are Westar Capital II, LLC ("Westar II") and Big Beaver Investments LLC ("Big Beaver"). Westar II is a Delaware limited liability company engaged in the business of investing in both private and public companies. Westar II's managing member is Westar Capital Associates II, LLC ("Westar Associates"). Westar Associates is a Delaware limited liability company engaged in the business of investing in both private and public companies. George Argyros owns a controlling interest in Westar II and Westar Associates. Mr. Argyros is the Chairman of the Board and Chief Executive Officer of Arnel and Affiliates, a private investment company. John Clark is the managing member of Westar Associates. Mr. Clark's principal occupation is as a partner of Westar Capital, a private investment firm. Mr. Clark is a member of the board of directors of the Issuer. Mr. Clark and Mr. Argyros are U.S. citizens. The principal business address of Westar II, Westar Associates, Westar Capital, and John Clark is 949 South Coast Drive, Suite 650, Costa Mesa, California 92626. The principal business address of Mr. Argyros and Arnel and Affiliates is 949 South Coast Drive, Suite 600, Costa Mesa, California 92626.

Big Beaver is a Delaware limited liability company engaged in the business of investing in both private and public companies. The sole member of Big Beaver is WIIIIH LP and the general partner of WIIIIH LP is TMW Enterprises, Inc., a Delaware corporation. Thomas M. Wheeler owns a controlling interest in TMW, WIIIIH LP and Big Beaver. Mr. Wheeler is a private investor. Oscar B. Marx, III is the President of TMW and of Big Beaver. Mr. Wheeler and Mr. Marx are U.S. citizens. The principal business address of Big Beaver, WIIIIH LP, TMW, Mr. Wheeler and Mr. Marx is 801 W. Big Beaver Road, Suite 201, Troy, Michigan 48084.

During the past five years, neither the Reporting Persons nor, to the Reporting Persons' knowledge, any person named herein pursuant to Instruction C of Schedule 13D has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

During the past five years, neither the Reporting Persons nor, to the Reporting Persons' knowledge, any person named herein pursuant to Instruction C of Schedule 13D, was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or is subject to a judgment, decree or final order enjoining future violations of or prohibiting or mandating activity subject to federal or state securities laws or finding any violation with respect to such laws.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

In connection with a Credit Agreement dated March 29, 1999 between Big Star and the Issuer ("Credit Agreement"), Big Star was issued a warrant (the "Bridge Loan Warrant") to purchase 300,000 shares of Issuer Common Stock at a purchase price of \$1.03 per share. The right to purchase Issuer Common Stock pursuant to the Bridge Loan Warrant is subject to certain conditions described therein, none of which has yet occurred. If Big Star exercises the Bridge Loan Warrant it expects to purchase the shares of Issuer Common Stock with its investment assets contributed to it by its members.

ITEM 4. PURPOSE OF TRANSACTION.

The Credit Agreement was entered into and the Bridge Loan Warrant was issued in connection with the execution of a Securities Purchase Agreement dated March 29, 1999 ("SPA"), among the Issuer, Westar II and Big Beaver. The purpose of such transactions is to acquire control of the Issuer. Pursuant to the SPA, Big Beaver and Westar II will each purchase 4,500 shares of Series A Preferred Stock and warrants to purchase up to 579,692 shares of Issuer Common Stock ("Contingent Warrants"). The Contingent Warrants become exercisable only upon the occurrence of certain events described therein. Each investor will pay \$1,000 per share of Series A Preferred Stock and \$500 for the Contingent Warrants issued to that investor.

Upon consummation of the transactions contemplated by the SPA, Westar II and Big Beaver together will own 9,000 shares of Series A Preferred Stock which, upon the closing, will be convertible into 5,373,134 shares of Issuer Common Stock, constituting approximately 73.8% of the shares of Issuer Common Stock outstanding at the closing. The Contingent Warrants are exercisable in the aggregate for up to 1,159,384 shares of Issuer Common Stock. The Contingent Warrants, however, are exercisable only upon the exercise of certain other outstanding warrants to purchase Issuer Common Stock and only for that number of shares equal to 73.8% of the shares purchased under such other warrants. The purpose of the Contingent Warrants is to provide the investors with anti-dilution protection in the event that other outstanding warrants to purchase Issuer Common Stock are exercised. Consequently, the exercise of the Contingent Warrants would not result in the investors together owning more than 73.8% of the outstanding Issuer Common Stock.

The SPA requires the creation of Series A Preferred Stock pursuant to a Certificate of Determination of Rights, Preferences and Privileges ("Certificate of Determination") to be filed with the California Secretary of State. The Series A Preferred Stock will have liquidation preferences, conversion rights, the right to elect five members of the board of directors, class voting rights on certain matters, and certain other rights and preferences as set forth in the Certificate of Determination.

Pursuant to the terms of an Investors' Rights Agreement ("Rights Agreement") to be executed in connection with the SPA, Big Beaver and Westar II will have certain rights to register for resale pursuant to the Securities Act of 1933, as amended, any shares of Issuer Common Stock received upon the exercise of the Contingent Warrants or the conversion of the Series A Preferred Stock. The Rights Agreement also provides Big Beaver and Westar II with a

right of first refusal to participate in future sales of equity securities by the Issuer, subject to the terms, conditions and limitations provided in the Rights Agreement.

Pursuant to the Credit Agreement, Big Star has agreed to loan the Issuer up to \$1,200,000 subject to the terms and conditions set forth therein. The loan is secured by all of the assets of the Issuer. Pursuant to the Credit Agreement, the Bridge Loan Warrant was issued to Big Star. The Bridge Loan Warrant provides Big Star the right, subject to the conditions contained therein, to purchase 300,000 shares of Issuer Common Stock. The Bridge Loan Warrant becomes exercisable only upon the termination of the SPA. However, if the SPA is terminated, a "Trigger Event" occurs within twelve months thereafter, and the termination fee payable pursuant to the SPA exceeds \$600,000, then the Issuer may repurchase 50% of the shares underlying the Bridge Loan Warrant for an aggregate purchase price of \$1,000. A "Trigger Event" is defined in the SPA as the occurrence of any of the following events: (i) any person, corporation, entity or "group" (as such term is used in section 13(d) of the Securities Exchange Act of 1934) (other than Big Beaver, Westar II or any of their affiliates) (a "Person") shall have acquired or become the beneficial owner of more than 25% of the outstanding Issuer Common Stock, or shall have been granted any option or right (conditional or otherwise), to acquire more than 25% of the outstanding Issuer Common Stock; (ii) any Person shall have commenced a bona fide tender offer or exchange offer for consideration the fair market value of which is in excess of the initial Conversion Price (as provided in the Certificate of Determination) per share for at least 25% of the outstanding Issuer Common Stock; (iii) the Issuer (or its Board) shall have authorized, recommended, proposed or publicly announced its intention to enter into any tender or exchange offer, merger, consolidation, liquidation, dissolution, business combination, recapitalization, acquisition, or disposition of a material amount of assets or securities or any comparable transaction which has not been consented to in writing by Big Beaver and Westar II; or (iv) the shareholders of the Issuer fail to approve the SPA. The Bridge Loan Warrant will terminate upon the closing of the transactions contemplated by the SPA.

The SPA also provides for certain changes to the current board of directors of the Issuer. It is a condition to the closing that all of the Issuer's directors, except John W. Clark, Lon Bell and Rick Weisbart, resign. The number of authorized directors will be increased to seven and the four vacancies will be filled with directors acceptable to Westar II and Big Beaver.

Upon the closing of the transactions contemplated by the SPA, Big Beaver and Westar II intend to enter into a shareholders' agreement ("Shareholders' Agreement") (i) providing that both parties will use their best efforts to vote their shares together on matters presented to the shareholders and (ii) restricting the transfer of the Series A Preferred Stock, Issuer Common Stock issuable upon conversion thereof, Contingent Warrants (and Issuer Common Stock underlying such warrants) held by each party. A summary of the terms of the Shareholders' Agreement is set forth in the term sheet ("Term Sheet") filed as an exhibit to this Schedule 13D.

Other than as described above, no Reporting Person has any plans or proposals which relate to, or may result in, any of the matters listed in Items 4(a)-(j) of Schedule 13D.

The foregoing summary of the Bridge Loan Warrant, Contingent Warrants, SPA, Credit Agreement, Certificate of Determination, Investors' Rights Agreement, and Term Sheet is

qualified in its entirety by reference to the copies of such documents included as exhibits to this Schedule 13D and incorporated herein in their entirety by this reference.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER.

(a) - (b) According to the Issuer's representation in the SPA, there were 2,510,088 shares of Issuer Common Stock outstanding as of March 29, 1999. The Bridge Loan Warrant provides Big Star the right to purchase 300,000 shares of Issuer Common Stock, representing approximately 10.7% of the outstanding shares. Due to the controlling interest of George Argyros in Westar II and Westar Associates, and the controlling interest of Thomas Wheeler in Big Beaver, WIIIIH LP and TMW, Mr. Argyros and Mr. Wheeler may be deemed to share the power to vote and dispose of (and therefore be the beneficial owners of) the shares issuable upon exercise of the Bridge Loan Warrant. The Bridge Loan Warrant is not currently exercisable and will become exercisable only in the event that the SPA is terminated. In addition, if a Trigger Event occurs within twelve months after such termination of the SPA and the termination fee payable under the SPA exceeds \$600,000, then the Issuer may repurchase 50% of the shares underlying the Bridge Loan Warrant for an aggregate purchase price of \$1,000. Consequently, the Reporting Persons disclaim beneficial ownership of the shares underlying the Bridge Loan Warrant until such time as such shares are purchased upon the exercise of the Bridge Loan Warrant.

George Argyros owns 40,000 shares of Issuer Common Stock representing approximately 2.1% of the outstanding shares. As a member of a group, Thomas Wheeler may be deemed to be the beneficial owner of Mr. Argyros' shares. Mr. Wheeler disclaims beneficial ownership of such shares.

In addition, John Clark owns 2,500 shares of Issuer Common Stock and has the right to acquire pursuant to currently exercisable options 11,000 shares of Issuer Common Stock representing less than 1% of the outstanding shares (after giving effect to the exercise of such option). Oscar B. Marx, III does not beneficially own any shares of Issuer Common Stock.

(c) Neither the Reporting Persons nor, to the knowledge of the Reporting Persons, any person named in Item 2 pursuant to Instruction C of Schedule 13D, has effected any transaction in the Issuer Common Stock during the past 60 days.

(d) None.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT

TO SECURITIES OF THE ISSUER.

Other than the SPA, Bridge Loan Warrant, Contingent Warrants, Term Sheet, Rights Agreement, and Credit Agreement, to the knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons named in Item 2 and between such persons and any person with respect to any securities of the Issuer, including but not limited to transfer or voting of any of the securities,

finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS.

The following documents are filed as exhibits:

1. Joint Filing Agreement.
2. Securities Purchase Agreement dated March 29, 1999, by and among Amerigon Incorporated, Westar Capital II, LLC and Big Beaver Investments LLC.
3. Bridge Loan Warrant dated March 29, 1999.
4. Form of Contingent Warrants.
5. Credit Agreement dated March 29, 1999 between Amerigon Incorporated and Big Star Investments LLC.
6. Form of Certificate of Determination.
7. Form of Investors' Rights Agreement.
8. Term Sheet.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief,
the undersigned certify that the information set forth in this statement is
true, complete and correct.

Dated: April 8, 1999

BIG STAR INVESTMENTS LLC

By: Westar Capital II, LLC, Member

By: /s/ John Clark

By: Big Beaver Investments LLC, Member

By: /s/ Larry Luke

/s/ George Argyros

GEORGE ARGYROS

/s/ Thomas M. Wheeler

THOMAS M. WHEELER

EXHIBIT 1

Joint Filing Agreement

The undersigned agree to file jointly with the Securities and Exchange Commission ("SEC") any and all statements on Schedule 13D (and any amendments or supplements thereto) required under Section 13(d) of the Securities Exchange Act of 1934, as amended, in connection with transactions by the undersigned in the Class A Common Stock of Amerigon Incorporated. Each of the undersigned will be responsible for the timely filing of the Schedule 13D and all amendments thereto, and for the completeness and accuracy of the information concerning such party contained therein. None of the undersigned shall be responsible for the completeness or accuracy of the information concerning any other party contained in the Schedule 13D or any amendment thereto, except to the extent such person knows or has reason to believe that such information is inaccurate.

Dated: April 8, 1999

BIG STAR INVESTMENTS LLC

By: Westar Capital II, LLC, Member

By: /s/ John Clark

By: Big Beaver Investments LLC, Member

By: /s/ Larry Luke

/s/ George Argyros

GEORGE ARGYROS

/s/ Thomas M. Wheeler

THOMAS M. WHEELER

AMERIGON INCORPORATED
SECURITIES PURCHASE AGREEMENT
MARCH 29, 1999

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SECURITIES PURCHASE AGREEMENT

THIS SECURITIES PURCHASE AGREEMENT is made on the 29th day of March, 1999, by and among Amerigon Incorporated, a California corporation (the "Company"), and the investors listed on Schedule A hereto (each, an "Investor" and collectively, the "Investors").

THE PARTIES HEREBY AGREE AS FOLLOWS:

ARTICLE I.
PURCHASE AND SALE OF STOCK AND WARRANTS

1.1 Sale and Issuance of Series A Preferred Stock and Warrants.

(a) The Company shall adopt and file with the Secretary of State of California on or before the Closing (as defined below) the Certificate of Determination of Rights, Preferences and Privileges of the Series A Preferred Stock in the form attached hereto as Exhibit A (the "Certificate of Determination").

(b) Subject to the terms and conditions of this Agreement, each Investor agrees, severally, to purchase at the Closing and the Company agrees to sell and issue to each Investor at the Closing, (i) that number of shares of Company's Series A Preferred Stock, no par value ("Series A Preferred Stock"), which is convertible into the Company's Class A Common Stock, no par value ("Class A Common Stock") and (ii) Warrants (the "Warrants") to purchase that number of shares Class A Common Stock (the "Warrant Shares") set forth opposite each Investor's name on Schedule A hereto for the purchase price set forth

thereon. The Warrants will be subject to the terms and conditions set forth in the form of Contingent Common Stock Purchase Warrants attached hereto as Exhibit

B (the "Stock Purchase Warrants"). The Series A Preferred Stock being purchased

hereunder, the Class A Common Stock issuable upon conversion of such Series A Preferred Stock, the Warrants and the Warrant Shares are collectively referred to herein as the "Securities."

1.2 Closing.

The purchase and sale of the Series A Preferred Stock and the Warrants being purchased hereunder shall take place at the offices of O'Melveny & Myers LLP, 400 South Hope Street, Los Angeles, California 90071, at 10:00 A.M., on June 2, 1999, or at such other time and place as the Company and the Investors mutually agree upon orally or in writing (which time and place are designated as the "Closing"). At the Closing, the Company shall deliver to each Investor a certificate representing the Series A Preferred Stock and duly executed Stock Purchase Warrants representing the Warrants that such Investor is purchasing against payment of the purchase price therefor by bank cashier's check, wire transfer, cancellation of indebtedness or any combination thereof. In the event that payment by an Investor is made, in whole or in part, by cancellation of indebtedness, then such Investor shall surrender to the Company for cancellation at the Closing any evidence of such indebtedness or shall execute an instrument of cancellation in form and substance acceptable to the Company. In addition, at the Closing the Company shall deliver to any Investor choosing to pay any part of the purchase price of the

Series A Preferred Stock and Warrants by cancellation of indebtedness, a check in the amount of any interest accrued on such indebtedness through the Closing.

ARTICLE II.
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth on the disclosure schedules to this Agreement (the "Disclosure Schedules"), each such schedule being numbered to correspond to the section of this Agreement to which it applies, the Company hereby represents and warrants to each Investor that:

2.1 Organization, Good Standing and Qualification. The Company is a

corporation duly organized, validly existing and in good standing under the laws of the State of California and has the requisite corporate power to own its properties and carry on its business as presently conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which it has employees, maintains offices, leases or owns real property or is otherwise required to be so qualified, except where the failure to be so qualified would not have a Material Adverse Effect (as defined below). For purposes of this Agreement, "Material Adverse Effect" shall mean any event, circumstance or condition pertaining to the Company's business, assets, liabilities or operations that, individually or in the aggregate, is, or could reasonably be expected to be, materially adverse to the business, operations, assets or liabilities (including without limitation contingent liabilities), employee relationships, customer or supplier relationships, prospects, projected results of operations or cash flow for the years ending December 31, 1999, 2000 or 2001, or the condition (financial or otherwise) of the Company.

2.2 Capitalization and Voting Rights. The authorized capital of the

Company consists, or will consist immediately prior to the Closing, of:

(a) Preferred Stock. 5,000,000 shares of Preferred Stock, no par

value (the "Preferred Stock"), of which 9,000 shares have been designated Series A Preferred Stock and up to all of which will be sold pursuant to this Agreement. The rights, privileges and preferences of the Series A Preferred Stock will be as stated in the Company's Certificate of Determination. No other series of Preferred Stock has been designated and, except for the shares of Series A Preferred Stock being sold pursuant to this Agreement, no shares of Preferred Stock are, or will be at the Closing, outstanding.

(b) Common Stock. 20,000,000 shares of Class A Common Stock, of

which 2,510,088 shares are issued and outstanding, and 600,000 shares of Class Common Stock, no par value ("Class B Common Stock"), none of which are issued and outstanding as of the date hereof. The Class A Common Stock and Class B Common Stock are together referred to herein as "Common Stock." The holders of the Class B Common Stock and the number of shares held by such shareholders are set forth on the Disclosure Schedules.

(c) The outstanding shares of Common Stock are all duly and validly authorized and issued, fully paid and nonassessable, and were issued in compliance with all applicable state and federal laws concerning the issuance of securities.

(d) Except for (i) the conversion privileges of the Series A Preferred Stock to be issued under this Agreement, (ii) the rights provided in the Investors' Rights

Agreement, (iii) currently outstanding options to purchase 210,169 shares of Class A Common Stock granted to consultants or employees pursuant to the Company's Stock Option Plans (the "Option Plans") listed on the Disclosure Schedules, and (iv) the options, warrants or rights set forth on the Disclosure Schedules, there are not outstanding any options, warrants, rights (including conversion or preemptive rights) or agreements for the purchase or acquisition from the Company of any shares of its capital stock or securities convertible into or exercisable for shares of capital stock. In addition to the aforementioned options, the Company has reserved an additional 52,848 shares of its Class A Common Stock for purchase upon exercise of options to be granted in the future under the Option Plans. All such shares of capital stock issuable pursuant to the rights or agreements set forth in this Section 2.2(d) will be, upon issuance, duly and validly issued, fully paid and nonassessable. The Company is not a party or subject to any agreement or understanding, and, to the Company's knowledge, there is no agreement or understanding between any persons and/or entities, which affects or relates to the voting or giving of written consents with respect to any security or by a director of the Company.

2.3 Subsidiaries. Except as set forth on the Disclosure Schedules, the

Company does not presently own or control, directly or indirectly, any interest in any other corporation, association, or other business entity. Except as set forth on the Disclosure Schedules, the Company is not a participant in any joint venture, partnership, or similar arrangement.

2.4 Authorization. All corporate action on the part of the Company,

its officers, directors and shareholders necessary for the authorization, execution and delivery of this Agreement, the Stock Purchase Warrants, and the Investors' Rights Agreement (attached hereto as Exhibit C), the performance of all obligations of the Company hereunder and thereunder, and the authorization (or reservation for issuance), sale and issuance of the Series A Preferred Stock and the Warrants being sold hereunder, the Class A Common Stock issuable upon conversion of the Series A Preferred Stock and the Warrant Shares has been taken or will be taken prior to the Closing. This Agreement, the Stock Purchase Warrants, and the Investors' Rights Agreement constitute valid and legally binding obligations of the Company, enforceable in accordance with their respective terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

2.5 Valid Issuance of Preferred and Class A Common Stock. The Series A

Preferred Stock that is being purchased by the Investors hereunder is duly authorized and, when issued, sold and delivered in accordance with the terms of this Agreement for the consideration expressed herein, will be duly and validly issued, fully paid and nonassessable and will be free of liens, claims, and encumbrances of the Company and of restrictions on transfer, other than restrictions on transfer under applicable state and federal securities laws. The Class A Common Stock issuable upon conversion of the Series A Preferred Stock purchased under this Agreement is duly authorized and reserved for issuance and, upon issuance in accordance with the terms of the Certificate of Determination, will be duly and validly issued, fully paid and nonassessable and will be free of liens, claims and encumbrances of the Company and of restrictions on transfer, other than restrictions on transfer under applicable state and federal securities laws. The Warrants are duly authorized and, upon issuance in accordance with the terms of this Agreement,

will be validly issued, fully paid and nonassessable, and will be free of liens, claims and encumbrances of the Company and of restrictions on transfer, other than restrictions on transfer under applicable state and federal securities laws. The Warrant Shares are duly authorized and reserved for issuance, and, upon exercise of the Warrants in accordance with the terms thereof, will be validly issued, fully paid and nonassessable, and will be free of liens, claims, and encumbrances of the Company and of restrictions on transfer, other than restrictions on transfer under applicable state and federal securities laws.

2.6 Consents. No consent, approval, order or authorization of, or

registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority on the part of the Company is required in connection with the consummation of the transactions contemplated by this Agreement, except for: (i) the filing of a Notice of Transaction pursuant to Section 25102(f) of the California Corporate Securities Law of 1968, as amended, and the rules thereunder, which filing will be effected within the time prescribed by law; (ii) the filing of a Form D pursuant to Regulation D under the Securities Act of 1933, as amended (the "Securities Act"), which filing will be effected within the required statutory period; (iii) the filing and distribution of a proxy statement pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act") with respect to the special meeting of shareholders to be held to approve this Agreement and the transactions and agreements contemplated hereby; (iv) such other filings required pursuant to applicable federal and state securities laws and blue sky laws, which filings will be effected within the required statutory period; (v) the approval of this Agreement and the transactions and agreements contemplated hereby by the requisite vote of the Company's shareholders; (vi) the consents set forth on the Disclosure Schedules; and (vii) the filing of an Application for the Listing of Additional Shares with Nasdaq.

2.7 Offering. Subject to the truth and accuracy of each Investor's

representations set forth in Section 3 of this Agreement, the offer, sale and issuance of the Series A Preferred Stock and the Warrants as contemplated by this Agreement are exempt from the registration requirements of the Securities Act, and the qualification or registration requirements of applicable state securities laws. Neither the Company nor any authorized agent acting on its behalf will take any action hereafter that would cause the loss of such exemptions.

2.8 Litigation. There is no action, suit, proceeding or investigation

pending, or to the Company's knowledge, currently threatened against the Company, except as which individually or in the aggregate would not have a Material Adverse Effect. The Company is not a party or subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality. Except as set forth on the Disclosure Schedules, there is no material action, suit, proceeding or investigation by the Company currently pending or that the Company intends to initiate.

2.9 Proprietary Information Agreements. Each employee, officer and

consultant of the Company has executed a proprietary information and inventions agreement in the form set forth on the Disclosure Schedules. The Company, after reasonable investigation, is not aware that any of its employees, officers or consultants is in violation thereof, and the Company will use its best efforts to prevent any such violation.

2.10 Patents and Trademarks. The Company owns or licenses from another

person all inventions, patents, patent rights, computer software, trademarks, trademark rights, service marks, service mark rights, trade names, trade name rights and copyrights (collectively, the "Intellectual Property") necessary for its business as presently conducted without any conflict with or infringement of the valid rights of others and the lack of which could materially and adversely affect the operations or condition, financial or otherwise, of the Company, and the Company has not received any notice of infringement upon or conflict with the asserted rights of others. The Disclosure Schedules contain a complete list of all such patents, patent rights, registered trademarks, registered service marks, registered copyrights, all agreements related to the foregoing, and all agreements pursuant to which the Company licenses Intellectual Property from or to a third party (excluding "shrink wrap" license agreements relating solely to off the shelf software which is not material to the Company's business). All Intellectual Property owned by the Company is owned free and clear of all liens, adverse claims, encumbrances, or restrictions, except for restrictions contained in the terms of the licenses listed in the Disclosure Schedules. All Intellectual Property licensed by the Company is the subject of a license agreement which is legal, valid, binding and enforceable and in full force and effect. The consummation of the transactions contemplated hereby will not result in the termination or impairment of the Company's ownership of, or right to use, any Intellectual Property. The Company has a valuable body of trade secrets, including know-how, concepts, business plans, and other technical data (the "Proprietary Information") for the development, manufacture and sale of its products. The Company has the right to use the Proprietary Information free and clear of any rights, liens, encumbrances or claims of others. The Company is not aware, after reasonable investigation, that any of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of his or her best efforts to promote the interests of the Company or that would conflict with the Company's business.

2.11 Compliance with Other Instruments. The execution, delivery and

performance of this Agreement, the Investors' Rights Agreement, and the Stock Purchase Warrants by the Company, the performance by the Company of its obligations under the Certificate of Determination, and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance and reservation for issuance, as applicable, of the Series A Preferred Stock being sold pursuant hereto, the Class A Common Stock issuable upon the conversion of such Series A Preferred Stock, the Warrants and the Warrant Shares) will not (i) result in a violation of the Company's Articles of Incorporation or Bylaws, or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company or any of its properties is subject, or result in a violation of any material law, rule, regulation, order, judgment or decree (including U.S. federal and state securities laws and regulations) applicable to the Company or by which any property or asset of the Company is bound or affected. The Company is not in violation of its Articles of Incorporation, Bylaws or other organizational documents, or of any judgment, order, writ, decree, law, rule or regulation to which the Company or its properties is subject. The Company is not in default (and no event has occurred which, with notice or lapse of time or both, would put the Company in default) under, nor has there occurred any event giving others (with notice or lapse of time or both) any rights of

termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company is a party or any of its properties is subject. The Company is not in violation of the listing requirements of the Nasdaq Small Cap market ("NASDAQ") and does not reasonably anticipate that the Class A Common Stock will be delisted by NASDAQ for the foreseeable future.

2.12 Agreements; Action. Except as set forth on the Disclosure

Schedules:

(a) there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, affiliates or any affiliate thereof, other than the agreements explicitly contemplated hereby.

(b) There are no agreements, understandings, instruments, contracts, proposed transactions, judgments, orders, writs or decrees to which the Company is a party or by which it is bound that may involve (i) obligations (contingent or otherwise) of, or payments to the Company, in excess of \$50,000, other than obligations of, or payments to, the Company arising from purchase or sale agreements entered into in the ordinary course of business, (ii) the license of any patent, copyright, trade secret or other proprietary right to or from the Company, other than licenses arising from the purchase of "off the shelf" or other standard products, or (iii) provisions restricting the development, manufacture or distribution of the Company's products or services.

(c) Since the date of the most recent audited balance sheet provided to the Investors by the Company, the Company has not (i) declared or paid any dividends or authorized or made any distribution upon or with respect to any class or series of its capital stock, (ii) incurred any indebtedness for money borrowed or any other liabilities individually in excess of \$50,000, (iii) made any loans or advances to any person, other than ordinary advances for travel expenses, or guaranteed the obligations of any person, or (iv) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business.

(d) There are no other agreements, understandings, instruments, contracts, proposed transactions, judgments, orders, writs or decrees to which the Company is a party or by which it is bound that are material to the conduct of the Company's business.

(e) For the purposes of subsections (b) and (c) above, all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same person or entity (including persons or entities the Company has reason to believe are affiliated therewith) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such subsections.

2.13 Related-Party Transactions. Except as set forth in the Disclosure

Schedules, no employee, officer or director of the Company or member of his or her immediate family is indebted to the Company, nor is the Company indebted (or committed to make loans or extend or guarantee credit) to any of them. To the best of the Company's knowledge, none of such persons has any direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation that competes with the Company, except that employees, officers or directors of the

Company and members of their immediate families may own less than 5% of the outstanding stock of one or more publicly traded companies that may compete with the Company. Except as set forth on the Disclosure Schedules, no employee, officer or director of the Company or member of his or her immediate family is directly or indirectly interested in any material contract with the Company.

2.14 SEC Documents and Financial Statements. Since January 1, 1997,

the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the Exchange Act (all of the foregoing and all exhibits included therein and financial statements and schedules thereto and documents incorporated by reference therein, with amendments read together with underlying documents, are referred to herein as the "SEC Documents"). As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. As of their respective dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with U.S. generally accepted accounting principles, consistently applied, during the periods involved and fairly and accurately present in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). Except as set forth in the most recent audited balance sheet provided to the Investors by the Company, the Company has no liabilities, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to the date of such financial statements and (ii) obligations under contracts and commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in such financial statements, which, individually or in the aggregate, are not material to the financial condition or operating results of the Company. Except as disclosed in such financial statements, the Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

2.15 Changes. Except as set forth on the Disclosure Schedules, since

December 31, 1998 there has not been:

(a) any change in the assets, liabilities, financial condition or operating results of the Company from that reflected in the Company's financial statements, except changes in the ordinary course of business that have not been, in the aggregate, materially adverse;

(b) any damage, destruction or loss, whether or not covered by insurance, materially and adversely affecting the assets, properties, financial condition, operating results or business of the Company;

(c) any waiver by the Company of a valuable right or of a material debt owed to it;

(d) any satisfaction or discharge of any lien, claim or encumbrance or payment of any obligation by the Company, except in the ordinary course of business and that is not material to the assets, properties, financial condition, operating results or business of the Company;

(e) any amendment to or termination of a material contract or arrangement by which the Company or any of its assets or properties is bound or subject;

(f) any material change in any compensation arrangement or agreement with any employee; or

(g) any agreement or commitment by the Company to do any of the things described in this Section 2.15.

2.16 Tax Returns. The Company has timely filed all tax returns

(federal, state and local) required to be filed by it and such tax returns are true and correct in all material respects. In addition, (i) the Company has not requested any extension of time within which to file any tax returns in respect of any fiscal year which have not since been filed and no request for waivers of the time to assess any taxes are pending or outstanding, (ii) no claim for taxes has become a lien against the property of the Company or is being asserted against the Company other than liens for taxes not yet due and payable, (iii) no audit of any tax return of the Company is being conducted by a tax authority, (iv) no extension of the statute of limitations on the assessment of any taxes has been granted to, by or applied for by, the Company and is currently in effect, and (v) there is no agreement, contract or arrangement to which the Company is a party that may result in the payment of any amount that would not be deductible by reason of Sections 280G, 162 or 404 of the Internal Revenue Code.

2.17 Permits. The Company has all material franchises, permits,

licenses and any similar authority necessary for the conduct of its business ("Permits"). The Company is not in default under any of such Permits. The Disclosure Schedules set forth an accurate and complete list of all such Permits.

2.18 Environmental and Safety Laws. The Company is not in violation of

any applicable material statute, law or regulation relating to the environment or occupational health and safety, and no material expenditures are or will be required in order to comply with any such existing statute, law or regulation.

2.19 Disclosure. The Company has fully provided each Investor with all

the information that such Investor has requested for deciding whether to purchase the Series A Preferred Stock and Warrants and all information that the Company believes is reasonably necessary to enable such Investor to make such decision. This Agreement (including all the Exhibits and Schedules hereto read together with the SEC documents) does not contain any untrue statement of a material fact or omit a material fact necessary to make the statements herein or therein not misleading in light of the circumstances under which they were made.

2.20 Registration Rights. Except as set forth on the Disclosure

Schedules and the rights granted pursuant to the Investors' Rights Agreement, the Company has not granted or agreed to grant any registration rights, including piggyback rights, to any person or entity.

2.21 Current Public Information. The Company is currently eligible to

register the resale of its Class A Common Stock on a registration statement on Form S-3 under the Securities Act.

2.22 No General Solicitation. Neither the Company nor any distributor

participating on the Company's behalf in the transactions contemplated hereby (if any) nor any person acting for the Company, or any such distributor, has conducted any "general solicitation," as such term is defined in Regulation D, with respect to any of the Securities being offered hereby.

2.23 No Integrated Offering. Neither the Company, nor any of its

affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales of any security or solicited any offerers to buy any security under circumstances that would require registration of the Securities being offered hereby under the Securities Act.

2.24 Corporate Documents. Except for amendments necessary to satisfy

representations and warranties or conditions contained herein (the form of which amendments has been approved by the Investors), the Articles of Incorporation and Bylaws of the Company are in the form attached hereto as Exhibit G and

Exhibit H, respectively.

2.25 Title to Property and Assets. The property and assets the Company

owns are owned by the Company free and clear of all mortgages, liens, loans and encumbrances, except (i) as reflected in the Company's financial statements included in the SEC Documents, (ii) for mechanic's, workmen's, repairmen's, warehousemen's, carrier's or similar liens arising or incurred in the ordinary course of business and which, individually or in the aggregate, are not material, and (iii) for statutory liens for the payment of current taxes that are not yet delinquent. With respect to the property and assets it leases, the Company is in compliance with such leases and holds a valid leasehold interest free of any liens, claims or encumbrances, subject to clauses (i), (ii) and (iii) above.

2.26 Foreign Corrupt Practices. Neither the Company nor any director,

officer, agent, employee or other person acting on behalf of the Company has, in the course of his actions for, or on behalf of, the Company, used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977; or made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

2.27 Insurance. The Disclosure Schedules set forth a complete and

accurate list of all insurance policies maintained by the Company and a summary of the coverage provided by such policies.

2.28 Employee Benefit Plans. The Disclosure Schedules set forth a

complete and accurate list of all employment contracts, deferred compensation agreements, bonus plans, incentive plans, profit sharing plans, retirement agreements or other agreements, plans or arrangements relating to compensation or benefits provided to the Company's employees. The Company has complied in all material respects with all applicable state and federal equal employment opportunity and other laws related to employment and the agreements, plans and arrangements set forth on the Disclosure Schedules. The Disclosure Schedules contain a complete and accurate list of all of the Company's employees, their current rates of compensation, date of hire, and job title.

2.29 Labor Agreements and Actions. The Company is not bound by or

subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union, and no labor union has requested or, to the Company's knowledge, has sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labor dispute involving the Company pending, or to the Company's knowledge, threatened, that could have a material adverse effect on the assets, properties, financial condition, operating results or business of the Company, nor is the Company aware of any labor organization activity involving its employees. The Company is not aware that any officer or key employee, or that any group of key employees, intends to terminate their employment with the Company nor does the Company have a present intention to terminate the employment of any of the foregoing. The employment of each officer and employee of the Company is terminable at the will of the Company.

2.30 Year 2000 Compliance. All of the Company's products currently

being sold and under development and all computer software and hardware (including microcode, firmware, system and application programs, files, databases, computer services and microcontrollers), including those embedded in computer and noncomputer equipment contained in the Company's products currently being sold and under development are Year 2000 Compliant, except to the extent that they may be used or interfaced with other software, data or operating systems that are not Year 2000 Compliant. All of the Company's internal computer systems are Year 2000 Compliant, except that the Company makes no such representation with respect to off-the-shelf software that is used in the Company's internal computer systems the failure or malfunctioning of which would not have a material adverse effect on the Company. To its knowledge, the Company is not relying on the products or services of any third party whose systems are not Year 2000 Compliant. For purposes of this Agreement, "Year 2000 Compliant" shall mean that such products and data and information systems and any such data, information or other files or software it uses, individually and in combination, completely and accurately record, store, process, calculate and present data involving dates before, on or after January 1, 2000; specifically: (i) no value for a current date will cause any interruption in operation; (ii) date-based functionality will behave consistently when dealing with dates before, on or after January 1, 2000; (iii) no abnormal endings or incorrect results will be produced when working with dates before, on or after January 1, 2000; (iv) in all interfaces and data storage, the century will be specified explicitly and will be unambiguously derived; and (v) year 2000 will be recognized as a leap year.

2.31 Computer and Communication Infrastructure. The Company's computer

and communication infrastructure is adequate to conduct its business as a
supplier of automobile parts. The Company is in compliance with QS9000.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES OF THE INVESTORS

Each Investor hereby represents, warrants and covenants that:

3.1 Authorization. Such Investor has full power and authority to enter

into this Agreement and the Investors' Rights Agreement, and each such agreement
constitutes its valid and legally binding obligation, enforceable in accordance
with its terms, except (i) as limited by applicable bankruptcy, insolvency,
reorganization, moratorium and other laws of general application affecting
enforcement of creditors' rights generally, and (ii) as limited by laws relating
to the availability of specific performance, injunctive relief or other
equitable remedies.

3.2 Purchase Entirely for Own Account. This Agreement is made with

such Investor in reliance upon such Investor's representation to the Company,
which by such Investor's execution of this Agreement such Investor hereby
confirms, that the Securities will be acquired for investment for such
Investor's own account, not as a nominee or agent, and not with a view to the
resale or distribution of any part thereof, and that such Investor has no
present intention of selling, granting any participation in or otherwise
distributing the same; provided, however, that such Investor may make
distributions of any such Securities to such Investor's affiliates.

3.3 Accredited Investor. Such Investor is an "accredited investor"

within the meaning of Securities and Exchange Commission ("SEC") Rule 501 of
Regulation D, as presently in effect.

3.4 Restricted Securities. Such Investor understands that the

Securities it is purchasing under this Agreement are characterized as
"restricted securities" under the federal securities laws inasmuch as they are
being acquired from the Company in a transaction not involving a public offering
and that under such laws and applicable regulations such Securities may be
resold without registration under the Securities Act only in certain limited
circumstances. Each Investor understands that such Investor is acquiring certain
registration rights pursuant to the Investors' Rights Agreement with respect to
the registration for resale of the Class A Common Stock issuable upon conversion
of the Series A Preferred Stock and the Class A Common Stock issuable upon
exercise of the Warrants.

3.5 Legends. Such Investor understands that the certificates

evidencing the Securities may bear a legend in substantially the following form:

"These securities have not been registered under the Securities Act of
1933, as amended (the "Act"). They may not be sold, offered for sale, pledged
or hypothecated unless (i) a registration statement is in effect with respect to
the securities or (ii) an exemption from registration is available under the
Act."

ARTICLE IV.
CONDITIONS OF INVESTOR'S OBLIGATIONS AT CLOSING

The obligations of each Investor under subsection 1.1(b) of this Agreement are subject to the fulfillment on or before the Closing of each of the following conditions, any or all of which may be waived with respect to an Investor by such Investor's written consent thereto:

4.1 Representations and Warranties. The representations and

warranties of the Company contained in Section 2 shall be true on and as of the Closing with the same effect as though such representations and warranties had been made on and as of the date of such Closing.

4.2 Performance. The Company shall have performed and complied in all

material respects with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or before the Closing.

4.3 Compliance Certificate. The President of the Company shall

deliver to each Investor at the Closing a certificate stating that the conditions specified in Sections 4.1 and 4.2 have been fulfilled.

4.4 Qualifications. All authorizations, approvals or permits, if any,

of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Securities pursuant to this Agreement shall be duly obtained and effective as of the Closing.

4.5 Shareholder Approval. The Company shall have obtained the

requisite approval of this Agreement and the transactions contemplated hereby, including but not limited to the Investors' Rights Agreement, by its shareholders.

4.6 Certificate of Determination. The Company shall have filed the

Certificate of Determination with the California Secretary of State and shall have provided evidence satisfactory to the Investors that such filing has been made.

4.7 Due Diligence. Each of the Investors shall have received from the

Company all the information that such Investor has theretofore requested and which such Investor believes is reasonably necessary to enable it to make the investment decision contemplated by this Agreement.

4.8 Proceedings and Documents. All corporate and other proceedings in

connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to the Investors and their counsel, and they shall have received all such counterpart original and certified or other copies of such documents as they may reasonably request.

4.9 No Material Adverse Effect. No event, circumstance or condition

shall have occurred which has, or could reasonably be expected to have, a Material Adverse Effect.

4.10 Proceeding or Litigation. No restraining order, preliminary or

permanent injunction or other order issued by any court of competent jurisdiction or other legal or

regulatory restraint or prohibition preventing the consummation of the transactions contemplated hereby shall be in effect, nor shall any proceeding brought by an administrative agency or commission or other governmental authority or instrumentality, domestic or foreign, seeking any of the foregoing be pending; nor shall there be any action taken, or any statute, rule, regulation or order enacted, entered, enforced or deemed applicable to this Agreement or the transactions contemplated hereby which makes the consummation of such transactions illegal or which otherwise prohibits the consummation of such transactions. In the event an injunction or other order shall have been issued, each party agrees to use its reasonable diligent efforts to have such injunction or other order lifted.

4.11 Opinion of Company Counsel. Each Investor shall have received

from O'Melveny & Myers, LLP, counsel for the Company, an opinion, dated as of the Closing, in the form attached hereto as Exhibit D.

4.12 Redemption. The Company shall have entered into a legally binding

and enforceable agreement providing for the redemption of all outstanding Class B Common Stock into which Class A Common Stock currently held in escrow is converted or convertible, subject only to the prior closing of the transaction contemplated by this Agreement, either in accordance with the terms of the Share Exchange Agreement attached hereto as Exhibit E, or, otherwise, on terms and

conditions satisfactory to the Investors, in their sole discretion.

4.13 Investors' Rights Agreement. The Company shall have executed and

delivered to the Investors the Investors' Rights Agreement in the form attached hereto as Exhibit C.

4.14 Board of Directors. Resolutions shall have been adopted by the

Board of Directors to increase the authorized number of directors of the Company to seven (7) effective as of the Closing, and all of the Company's directors, except John Clark, Lon Bell and Richard Weisbart, shall have tendered their resignations to be effective as of the Closing.

4.15 Loan Documents. No Event of Default, as that term is defined in

the Credit Agreement attached hereto as Exhibit F ("Credit Agreement"), shall

have occurred and remain uncured at the time of the Closing.

ARTICLE V.
CONDITIONS OF THE COMPANY'S OBLIGATIONS AT CLOSING

The obligations of the Company to each Investor under this Agreement are subject to the fulfillment on or before the Closing of each of the following conditions by the Company or that Investor, as the case may be, any or all of which may be waived by the Company's written consent thereto:

5.1 Representations and Warranties. The representations and

warranties of the Investor contained in Section 3 shall be true on and as of the Closing with the same effect as though such representations and warranties had been made on and as of the Closing.

5.2 Payment of Purchase Price. Each Investor shall have delivered the

purchase price specified in Section 1.2.

5.3 Qualifications. All material authorizations, approvals or permits

of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Securities pursuant to this Agreement and which are set forth in this Agreement or on the Disclosure Schedules shall be duly obtained and effective as of the Closing.

5.4 Shareholder Approval. The Company shall have obtained the

requisite approval of this Agreement and the transactions contemplated hereby, including but not limited to the Investors' Rights Agreement, by its shareholders.

5.5 Investment Representation. The Company shall have obtained from

each Investor a representation that such Investor has received from the Company all the information that such Investor has requested for deciding whether to purchase the Series A Preferred Stock and the Warrants and all information that such Investor believes is reasonably necessary to enable such Investor to make such decision.

5.6 Credit Agreement. The Lender shall have performed in all material

respects the agreements and obligations to be performed by it under the Credit Agreement which are required to be performed prior to the Closing.

ARTICLE VI.
OTHER AGREEMENTS

6.1 Conduct of Business. During the period from the date of this

Agreement and continuing until the Closing, except as expressly contemplated or permitted by this Agreement or with the prior written consent of Investors, which shall not be unreasonably withheld or delayed, the Company shall carry on its business in the ordinary course consistent with past practice. Without limiting the generality of the foregoing, except as expressly contemplated or permitted by this Agreement, the Company shall not without the prior written consent of Investors:

(a) declare or pay any dividends on, or make other distributions in respect of, any of the Company's capital stock;

(b) (i) repurchase, redeem or otherwise acquire any shares of its capital stock, or any securities convertible into or exercisable for any shares of its capital stock, (ii) split, combine or reclassify any shares of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock, or (iii) issue, deliver or sell, or authorize or propose the issuance, delivery or sale of, any shares of its capital stock or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares, or enter into any agreement with respect to any of the foregoing;

(c) amend its Articles of Incorporation, Bylaws or other similar governing documents;

(d) make any capital expenditures other than those which (i) are made in the ordinary course of business or are necessary to maintain existing assets in good repair and (ii) do not exceed \$50,000 in the aggregate;

(e) enter into any new line of business;

(f) acquire or agree to acquire, by merging or consolidating with, or by purchasing a substantial equity interest in or a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof or otherwise acquire any assets, which would be material, individually or in the aggregate, to the Company;

(g) take any action that is intended or may reasonably be expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue, or in any of the conditions to the Closing not being satisfied;

(h) change its methods of accounting in effect at December 31, 1998, except as required by changes in GAAP or as concurred with by the Company's independent auditors;

(i) (i) except as required by applicable law or as required to maintain qualification pursuant to the Internal Revenue Code, adopt, amend, or terminate any employee benefit plan or any agreement, arrangement, plan or policy between the Company and one or more of its current or former directors, officers or employees, or (ii) except for normal increases in the ordinary course of business consistent with past practice or except as required by applicable law, increase in any manner the compensation or fringe benefits of any director, officer or employee or pay any benefit not required by any agreement as in effect as of the date hereof (including, without limitation, the granting of stock options, stock appreciation rights, restricted stock, restricted stock units or performance units or shares);

(j) other than activities in the ordinary course of business consistent with past practice, sell, lease, encumber, assign or otherwise dispose of, or agree to sell, lease, encumber, assign or otherwise dispose of, any of its material assets, properties or other rights or agreements;

(k) other than in the ordinary course of business consistent with past practice and not in excess of \$50,000 (individually or in the aggregate), incur any indebtedness for borrowed money or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other individual, corporation or other entity;

(l) create, renew, amend or terminate or give notice of a proposed renewal, amendment or termination of, any material contract, agreement or lease for goods, services or office space to which the Company is a party or by which the Company or its properties are bound, other than the renewal in the ordinary course of business of any lease the term of which expires prior to the Closing; or

(m) agree to do any of the foregoing.

6.2 Access to Information. The Company will give Investors and their

accountants, legal counsel and other representatives full access, during normal business hours throughout the period prior to the Closing, to all of the properties, books, contracts, commitments and records relating to its capital stock, business, assets and liabilities. The Company will make available to Investors and their accountants, legal counsel and other representatives during such period copies of all documents and all such information concerning its affairs as Investors may reasonably request.

6.3 Other Discussions; Break Up Arrangement.

(a) From the date hereof until the Closing, unless Investors have given their prior written approval, none of the Company nor any of its affiliates or representatives shall directly or indirectly, solicit, initiate, facilitate, or encourage the submission of any other proposal for, enter into any agreement or initiate or participate in any discussions regarding, or furnish to any person any information or assistance with respect to, or take any other action to facilitate the making of any proposal that constitutes or may reasonably be expected to lead to, other business combinations or financing transactions directly or indirectly involving the Company or its business operations, or the acquisition, in any manner directly or indirectly, of all or any substantial part of the business, assets, capital stock or other voting securities of, or any other equity interest in, the Company or its business operations by any other party. Notwithstanding the above, the Company may respond to unsolicited written proposals or to information requests and furnish or disclose information in response thereto if the Company's Board of Directors determines in good faith, after consultation with legal counsel, that taking such action is necessary in the exercise of its fiduciary obligations under applicable law. If the Company receives any competing proposal (oral or written), the Company shall advise Investors immediately of its terms and, if the competing proposal is in writing, furnish Investors with a true and complete copy thereof.

(b) If (1) the Closing does not occur (other than as a result of a material breach of this Agreement by the Investors or the determination by the Investors not to proceed with this transaction for failure of the condition specified in Section 4.9 hereof) and (2) a Trigger Event (as defined below) has occurred within twelve months from the date hereof, then the Company shall:

(i) immediately reimburse the Investors for all reasonable out-of-pocket expenses incurred in connection with the preparation, negotiation and performance of this Agreement up to a maximum of \$150,000 (including legal, accounting, consulting and any third party financing fees and any costs of collection), and

(ii) immediately pay a failed transaction fee (the "Fee") to the Investors in an amount equal to the greater of (A) 5% of the value of the transaction constituting the Trigger Event accepted by the Board or (B) \$300,000.

(c) A "Trigger Event" means occurrence of any of the following events: (i) any person, corporation, entity or "group" (as such term is used in section 13(d) of the Exchange Act) (other than the Investors or any of their affiliates) (a "Person") shall have acquired or become the beneficial owner of more than 25% of the outstanding Class A Common Stock, or shall have been granted any option or right (conditional or otherwise), to acquire more

than 25% of the outstanding Class A Common Stock; (ii) any Person shall have commenced a bona fide tender offer or exchange offer for consideration the fair market value of which is in excess of the initial Conversion Price (as provided in the Certificate of Determination) per share for at least 25% of the outstanding Class A Common Stock, (iii) the Company (or its Board) shall have authorized, recommended, proposed or publicly announced its intention to enter into any tender or exchange offer, merger, consolidation, liquidation, dissolution, business combination, recapitalization, acquisition, or disposition of a material amount of assets or securities or any comparable transaction which has not been consented to in writing by the Investors; or (iv) the shareholders of the Company fail to approve the Agreement.

6.4 Proxy Statement. As promptly as practicable after the execution of

this Agreement, the Company shall prepare and file with the SEC a proxy statement (together with all amendments thereto "Proxy Statement") for use in connection with the Annual Meeting (as defined below). The Company shall prepare the Proxy Statement in compliance with applicable federal and state securities laws and with the applicable provisions of the California General Corporations Law. As promptly as practicable after the preparation of the Proxy Statement and the completion of the SEC's review, if any, of such Proxy Statement, the Proxy Statement shall be mailed to the shareholders of the Company. None of the information supplied by any party hereto for inclusion in the Proxy Statement shall, at the date it or any amendments or supplements thereto are mailed to the shareholders in connection with the Annual Meeting, at the time of the Annual Meeting, or at the Closing, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

6.5 Shareholders' Meeting. As promptly as practicable after the date

hereof, the Company shall call and hold its annual meeting of its shareholders for the purpose of approving this Agreement and the transactions contemplated hereby (the "Annual Meeting"). The Company shall use its best efforts to solicit from its shareholders proxies in favor of the approval of this Agreement and the transactions contemplated hereby pursuant to the Proxy Statement.

6.6 Public Disclosure. Each party shall consult with the others before

issuing any press release or otherwise making any public statement or making any other public (or non-confidential) disclosure (whether or not in response to an inquiry) regarding the terms of this Agreement and the transactions contemplated hereby, and shall provide to the others for review and approval a copy of such contemplated disclosure. No party shall issue any such press release or make any such statement or disclosure before such review and approval by the other parties, except as such party is advised by legal counsel is required by law.

6.7 Reasonable Efforts. Each party will use its commercially

reasonable efforts to cause all conditions to the Closing to be satisfied, including, without limitation, obtaining any of its consents necessary or desirable in connection with the consummation of the transactions contemplated by this Agreement.

6.8 Board of Directors. The parties understand that pursuant to the

Certificate of Determination, the authorized number of directors of the Company shall be seven, the holders of Common Stock shall be entitled to elect two directors, and the holders of Series A Preferred Stock shall be entitled to elect five directors. All of the Company's directors, except John Clark,

Lon Bell and Richard Weisbart, shall resign effective as of the Closing. The remaining directors shall fill the vacancies created by such resignations and appoint directors who are acceptable to the Investors.

6.9 Bridge Loan. Concurrently, with the execution of this Agreement,

the parties shall enter into the Credit Agreement, together with the related security agreements and documents referred to therein, pursuant to which the Investors shall loan funds to the Company (the "Bridge Loan") subject to the terms and on the conditions set forth in such Credit Agreement.

6.10 Notification of Certain Matters. The Company shall give prompt

notice to Investors, and Investors shall give prompt notice to the Company, of (a) the occurrence or nonoccurrence of any event the occurrence or nonoccurrence of which would likely to cause any representation or warranty of the notifying party contained in this Agreement to become materially untrue or inaccurate, or (b) any failure of the notifying party to materially comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder.

6.11 Indemnification. In the event any third party brings an action,

suit or proceeding (including, without limitation, any derivative proceeding) against any Investor arising out of any allegation that this Agreement or the agreements and transactions contemplated hereby violate or interfere with an agreement or arrangement between such third party and the Company, then the Company agrees to indemnify the Investors from and against the entirety of any loss, damage, claim, cost or expense (including reasonable attorneys' fees) the Investors may suffer through and after the date of the claim for indemnification resulting from, arising out of, relating to, in the nature of, or caused by the third party action, suit or proceeding referenced above.

ARTICLE VII.
MISCELLANEOUS

7.1 Survival. The warranties, representations and covenants of the

Company and Investors contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and shall in no way be affected by any investigation of the subject matter thereof made by or on behalf of the Investors or the Company prior to the Closing. The warranties, representations, and covenants of the Company shall terminate upon the Closing and shall be of no further force or effect after such date.

7.2 Successors and Assigns. Except as otherwise provided herein, the

terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties (including transferees of any Securities). Nothing in this Agreement, express or implied, is intended to confer upon any party, other than the parties hereto or their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

7.3 Governing Law. This Agreement shall be governed by and construed

under the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

7.4 Titles and Subtitles. The titles and subtitles used in this

Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

7.5 Notices. All notices required or permitted hereunder shall be in

writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day; (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the address as set forth on the signature page hereof or at such other address as such party may designate by ten days advance written notice to the other parties hereto.

7.6 Finder's Fee. Except as set forth on the Disclosure Schedules,

each party represents that it neither is nor will be obligated for any finders' fee or commission in connection with this transaction. Each Investor agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finders' fee (and the costs and expenses of defending against such liability or asserted liability) for which such Investor or any of its officers, partners, employees or representatives is responsible. The Company agrees to indemnify and hold harmless each Investor from any liability for any commission or compensation in the nature of a finders' fee (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

7.7 Expenses. The Company shall pay all costs and expenses that it

incurs with respect to the negotiation, execution, delivery and performance of this Agreement, the agreements related hereto, and the agreements related to the Bridge Loan. Upon the execution of this Agreement, the Company shall reimburse the Investors for their actual costs (including reasonable legal fees) incurred in connection with the Bridge Loan, but not in excess of \$50,000. If the Closing is effected, the Company shall, at the Closing, reimburse the actual costs (including reasonable legal fees) of the Investors in connection with the negotiation, execution, delivery, and performance of this Agreement and the transactions and agreements contemplated hereby (in addition to the costs associated with the Bridge Loan as previously reimbursed) not to exceed \$150,000. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the Investors' Rights Agreement, or the Certificate of Determination, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

7.8 Amendments and Waivers. Any term of this Agreement may be amended

and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and each Investor.

7.9 Severability. If one or more provisions of this Agreement are

held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

7.10 Termination. If the closing has not occurred on or before June

30, 1999, either party may terminate this Agreement by providing written notice to the other party; provided, however, if the SEC reviews the Company's Proxy Statement, the date on which termination pursuant to this Section 7.10 shall first be permitted will be July 30, 1999. Notwithstanding, the termination of this Agreement pursuant to this Section 7.10, the Company shall be liable for the payments described in Section 6.3 if a Trigger event subsequently occurs within the time period set forth in that section.

7.11 Aggregation of Stock. All shares of the Series A Preferred Stock

or Common Stock issued upon conversion thereof held or acquired by affiliated entities or persons shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

7.12 Entire Agreement. This Agreement and the documents referred to

herein constitute the entire agreement among the parties and no party shall be liable or bound to any other party in any manner by any warranties, representations or covenants except as specifically set forth herein or therein.

7.13 Counterparts. This Agreement may be executed in two or more

counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

THE COMPANY:

AMERIGON INCORPORATED

By: /s/ Lon E. Bell
Its: Chief Executive Officer

Address: _____

INVESTORS:

WESTAR CAPITAL II, LLC

By: Westar Capital Associates II, LLC
Manager

By: /s/ John Clark
Its: Managing Member

Address: _____

BIG BEAVER INVESTMENTS LLC

By: /s/ Oscar B. Marx III
Its: President

Address: _____

SCHEDULE A

Investor -----	Series A Preferred Stock -----	Purchase Price -----
Westar Capital II LLC	4,500	\$4,500,000
Big Beaver Investments LLC	4,500	\$4,500,000

Investor -----	Warrant -----	Purchase Price -----
Westar Capital II LLC	Warrants to purchase that number of shares of Class A Common Stock equal to 36.9% of the aggregate shares subject to (i) currently outstanding warrants (excluding the Bridge Loan Warrants) plus (ii) warrants that are issuable at the Closing to Spencer Trask Securities Incorporated, on the terms and conditions set forth in the Contingent Common Stock Purchase Warrants attached hereto as Exhibit B.	\$500
Big Beaver Investments LLC	Warrants to purchase that number of shares of Class A Common Stock equal to 36.9% of the aggregate shares subject to (i) currently outstanding warrants (excluding the Bridge Loan Warrants) plus (ii) warrants that are issuable at the Closing to Spencer Trask Securities Incorporated, on the terms and conditions set forth in the Contingent Common Stock Purchase Warrants attached hereto as Exhibit B.	\$500

BRIDGE LOAN WARRANT

THIS SECURITY AND ANY SHARES ISSUED UPON EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THE APPLICABLE SECURITY HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

AMERIGON INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

This Warrant (the "Warrant") represents and certifies that, for value received, Big Star Investments LLC, a Delaware limited liability company (the "Holder") is entitled to subscribe for and purchase up to 300,000 shares (subject to adjustment from time to time pursuant to the provisions of Section 5 hereof) of fully paid and nonassessable Class A Common Stock of Amerigon Incorporated, a California corporation (the "Company"), at the price specified in Section 2 hereof, as such price may be adjusted from time to time pursuant to Section 5 hereof (the "Warrant Price"), subject to the provisions and upon the terms and conditions hereinafter set forth.

As used herein, the term "Class A Common Stock" shall mean the Company's presently authorized Class A Common Stock, no par value, and any stock into or for which such Common Stock may hereafter be converted or exchanged.

1. Term of Warrant; Call Provisions.

(a) Term. Subject to Section 1(b) hereof, the purchase right

represented by this Warrant is exercisable, in whole or in part, at any time during a period beginning on the date that the Securities Purchase Agreement dated March 29, 1999 among the Company, Westar Capital II, LLC, and Big Beaver Investments LLC (the "Purchase Agreement") is terminated pursuant to its terms and ending five years after such date, but shall terminate upon the Closing of the transactions contemplated by the Purchase Agreement.

(b) Call Provisions. In the event that the Company shall have been

required to pay a fee in excess of \$600,000 pursuant to Section 6.3(b) of the Purchase Agreement, in accordance with the terms thereof, upon such payment and for a period of fifteen days following such payment, the Company shall have the right to redeem one half of the shares subject to this Warrant at an aggregate redemption price of \$1,000. Upon such redemption, this Warrant will thereafter remain exercisable for 150,000 shares of Class A Common Stock at the purchase Warrant Price set forth in Section 2 hereof (subject to adjustment as provided herein).

2. Warrant Price.

The Warrant Price is \$1.03 per share, subject to adjustment from time to time pursuant to the provisions of Section 5 hereof.

3. Method of Exercise or Conversion; Payment; Issuance of New Warrant.

(a) Exercise. Subject to Section 1 hereof, the purchase right

represented by this Warrant may be exercised by the Holder, in whole or in part, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the Company and by

the payment to the Company, by cashier's check or wire transfer, of an amount equal to the then applicable Warrant Price per share multiplied by the number of shares then being purchased. The Company agrees that the shares so purchased shall be deemed to be issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such shares as aforesaid. In the event of any exercise of this Warrant, certificates for the shares of stock so purchased shall be delivered to the Holder within 15 business days thereafter and, unless this Warrant has been fully exercised or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder within such 15 business day period.

(b) Conversion. Subject to Section 1 hereof, the Holder may convert

this Warrant (the "Conversion Right"), in whole or in part, into the number of shares (less the number of shares which have been previously exercised or as to which the Conversion Right has been previously exercised) calculated pursuant to the following formula by surrendering this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the

Company specifying the number of shares the rights to purchase which the Holder desires to convert:

$$X = \frac{Y (A - B)}{A}$$

- where:
- X = the number of shares of Class A Common Stock to be issued to the Holder;
 - Y = the number of shares of Class A Common Stock subject to this Warrant for which the Conversion Right is being exercised;
 - A = the Market Price of the Common Stock (as defined below) as of the trading day immediately preceding the date of exercise of this Warrant; and
 - B = the Warrant Price

For purposes hereof, the "Market Price of the Common Stock" shall be the closing price per share of the Class A Common Stock of the Company on the principal national securities exchange on which the Class A Common Stock of the Company is then listed or admitted to trading or, if not then listed or traded on

any such exchange, on the NASDAQ National Market System, or if then not listed or traded on such system, the closing bid price per share on NASDAQ or other over-the-counter trading market. If at any time such quotations are not available, the market price of a share of Class A Common Stock shall be the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Class A Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors of the Company, unless the Company shall become subject to a merger, acquisition or other consolidation pursuant to which the Company is not the surviving party, in which case the market price of a share of Class A Common Stock shall be deemed to be the value received by the holders of the Company's Class A Common Stock for each share of Class A Common Stock pursuant to the Company's acquisition.

The Company agrees that the shares so converted shall be deemed issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered as aforesaid. In the event of any conversion of this Warrant, certificates for the shares of stock so converted shall be delivered to the holder hereof within 15 business days thereafter and, unless this Warrant has been fully converted or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been converted, shall also be issued to the holder hereof within such 15-day period.

4. Stock Fully Paid; Reservation of Shares.

All Class A Common Stock which may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be fully paid and nonassessable, and free from all United States taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized, and reserved for the purpose of the issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Class A Common Stock to provide for the exercise of the rights represented by this Warrant.

5. Adjustment of Purchase Price and Number of Shares.

(a) Additional Shares. In the event that the Company shall issue

additional shares of Class A Common Stock, or other securities exchangeable for, exercisable for, or convertible into additional shares of Class A Common Stock, for consideration per share less than the Warrant Price on the date of and immediately prior to any such issue, then and in such event, the per share Warrant Price shall be reduced concurrently with such issuance or sale, to a price equal to the consideration per share of such issuance; provided that the Warrant Price shall not be so reduced at such time if the amount of such reduction would be an amount less than \$0.01, but any such amount shall be carried forward and reduction with respect thereto made at the time of and together with any subsequent reduction which, together with such amount and any other amount or amounts so carried forward, shall aggregate \$0.01 or more. No adjustment in the Warrant Price shall be made on account of (i) the grant of options exercisable for, or sales

of, Class A Common Stock pursuant to employee benefit plans previously approved by the Company's shareholders, (ii) the issuance of warrants to Spencer Trask Securities, Inc. in connection with the transaction contemplated by the Purchase Agreement (or the exercise of such warrants), or (iii) the issuance of stock, warrants or other securities or rights to persons or entities with which the Company has business relationships provided such issuances are for other than primarily equity financing purposes and provided that (i) any such issuance does not exceed 2% of the then outstanding Class A Common Stock of the Company (assuming full conversion and exercise of all convertible and exercisable securities) and (ii) the aggregate of all such issuances since the date of this Warrant do not exceed 5% of the then outstanding Class A Common Stock of the Company (assuming full conversion and exercise of all convertible and exercisable securities).

(b) Stock Splits and Combinations. If the Company at any time or from

time to time after the date this Warrant is issued effects a subdivision of the outstanding Class A Common Stock pursuant to a stock split or similar event, the Warrant Price shall be proportionately decreased, and conversely, if the Company at any time or from time to time after the date this Warrant is issued combines the outstanding shares of Class A Common Stock into a smaller number of shares in a reverse stock split or similar event, the Warrant Price shall be proportionately increased. Upon the adjustment of the Warrant Price pursuant to the foregoing provisions, the number of shares of Class A Common Stock subject to the exercise of the Warrant shall be adjusted to the nearest full share by multiplying the shares subject to the Warrant by a fraction, the numerator of which is the Warrant Price immediately prior to such adjustment and the denominator of which is the Warrant Price immediately after such adjustment. Any adjustment under this subsection (b) shall be effective at the close of business on the date the subdivision or combination becomes effective.

(c) Certain Dividends and Distributions. If the Company at any time

or from time to time after the date this Warrant is issued makes, or fixes a record date for the determination of holders of Class A Common Stock entitled to receive a dividend or other distribution payable in additional shares of Class A Common Stock, then and in each such event the number of shares of Class A Common Stock subject to the Warrant shall be increased and the Warrant Price then in effect shall be decreased as of the date of such issuance or, in the event such record date is fixed, as of the close of business on such record date, by:

(i) multiplying the Warrant Price then in effect by a fraction (1) the numerator of which is the total number of shares of Class A Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and (2) the denominator of which shall be the total number of shares of Class A Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Class A Common Stock issuable in payment of such dividend or distribution; and

(ii) multiplying the number of shares of Class A Common Stock subject to the Warrant by a fraction (1) the numerator of which is the total number of shares of Class A Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Class A Common Stock issuable in payment of such dividend or distribution, and (2) the

denominator of which shall be the total number of shares of Class A Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date.

If, however, such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the number of shares of Class A Common Stock subject to the Warrant and the Warrant Price thereof shall be recomputed accordingly as of the close of business on such record date and thereafter shall be adjusted pursuant to this subsection (c) as of the time of actual payment of such dividends or distributions.

(d) Other Adjustments. In the event the Company at any time or from -----
time to time after the date this Warrant is issued:

(i) makes a dividend or other distribution payable in securities of the Company other than shares of Class A Common Stock, or

(ii) changes any Class A Common Stock into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend or a reorganization, merger, consolidation or sale of assets provided for elsewhere in this Section 5), or

(iii) effects a capital reorganization of the Class A Common Stock (other than a recapitalization, subdivision, combination, reclassification or exchange of shares provided for elsewhere in this Section 5) or merger or consolidation of the Company with or into another corporation, or the sale of all or substantially all of the Company's properties and assets to any other person,

then, in each such event, any and all new, substituted or additional securities to which Holder is or would be entitled by reason of its ownership of the shares underlying this Warrant shall be immediately subject to the Warrant and be included in the shares underlying this Warrant for all purposes hereunder. After each such event, the Warrant Price per share shall be proportionately adjusted so that the aggregate Warrant Price upon exercise of the Warrant shall remain the same as before such event.

6. Notice of Adjustments.

Whenever any Warrant Price shall be adjusted pursuant to Section 5 hereof, the Company shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, the Warrant Price after giving effect to such adjustment and the number of shares then purchasable upon exercise of this Warrant, and shall cause copies of such certificate to be mailed (by first class mail, postage prepaid) to the Holder of this Warrant at the address specified in Section 9(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

7. Fractional Shares.

No fractional shares of Class A Common Stock will be issued in conjunction with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefore on the basis of the Warrant Price then in effect.

8. Compliance with Securities Act.

The Holder of this Warrant, by acceptance hereof, agrees that this Warrant and the shares of Class A Common Stock to be issued on exercise hereof are being acquired for investment and that it will not offer, sell or otherwise dispose of this Warrant or any shares of Class A Common Stock to be issued upon exercise hereof except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act"). This Warrant and all shares of Class A Common Stock issued upon exercise of this Warrant (unless registered under the Act) shall be stamped and imprinted with a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS IT HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED."

9. Miscellaneous.

(a) No Rights as Shareholder. The Holder of this Warrant shall not be entitled to vote or receive dividends or be deemed the Holder of Class A Common Stock or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder of this warrant, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until the Warrant shall have been exercised and the shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

(b) Replacement. On receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of mutilation, on surrender and cancellation of this Warrant, the Company, at the Holder's expense, will execute and deliver, in lieu of this Warrant, a new Warrant of like tenor.

(c) Notice. Any notice given to either party under this Warrant shall be in writing, and any notice hereunder shall be deemed to have been given upon the earlier of

delivery thereof by hand delivery, by courier, or by standard form of telecommunication or three (3) business days after the mailing thereof in the U.S. mail if sent registered mail with postage prepaid, addressed to the Company at its principal executive offices and to the Holder at its address set forth in the Company's books and records or at such other address as the Holder may have provided to the Company in writing.

(d) Governing Law. This Warrant shall be governed and construed under

the laws of the State of California.

[Remainder of page intentionally left blank]

This Warrant is executed as of this 29th day of March, 1999.

AMERIGON INCORPORATED

By: /s/ Lon E. Bell

Name: Lon E. Bell

Title: Chief Executive Officer

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NOTICE OF EXERCISE

TO: AMERIGON INCORPORATED

1. Check Box that Applies:

The undersigned hereby elects to purchase _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price of such shares in full.

The undersigned hereby elects to convert the attached warrant into _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant.

2. Please issue a certificate or certificates representing said shares of Class A Common Stock in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

3. The undersigned represents that the aforesaid shares of Class A Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares.

Signature

CONTINGENT COMMON STOCK PURCHASE WARRANT

THIS SECURITY AND ANY SHARES ISSUED UPON EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THE APPLICABLE SECURITY HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

AMERIGON INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

This certifies that, for value received, _____ (the "Holder") is entitled to subscribe for and purchase up to 9225 shares (subject to adjustment from time to time pursuant to the provisions of Section 5 hereof) of fully paid and nonassessable Class A Common Stock of Amerigon Incorporated, a California corporation (the "Company"), at the price specified in Section 2 hereof, as such price may be adjusted from time to time pursuant to Section 5 hereof (the "Warrant Price"), subject to the provisions and upon the terms and conditions hereinafter set forth.

As used herein, the term "Class A Common Stock" shall mean the Company's presently authorized Class A Common Stock, no par value, and any stock into or for which such Common Stock may hereafter be converted or exchanged.

1. Term of Warrant; Contingent Exercise.

(a) Term. Subject to Section 1(b) hereof, the purchase right

represented by this Warrant is exercisable, in whole or in part, at any time during a period beginning on [Closing Date] and ending ninety days after the latest of the end of the terms of the warrants as respectively set forth in Section 1(a) of the Common Stock Purchase Warrant dated December 21, 1998 from the Company to Spencer Trask Securities, Inc., Section 1(a) of the Common Stock Purchase Warrant dated December 21, 1998 from the Company to Adam K. Stern and Section 1(a) of the Common Stock Purchase Warrant dated December 21, 1998 from the Company to Roger K. Baumberger and Section 1(a) of the Common Stock Purchase Warrant dated March 24, 1999 from the Company to Matthew Schilowitz (the "Trask Warrants").

(b) Contingent Exercise. The number of shares that may be purchased

pursuant to the exercise of this Warrant is limited to a number of shares equal to 36.9% multiplied by the number of shares purchased pursuant to the exercise of the Trask Warrants after the date hereof. To the extent that this would result in the right to purchase a fractional number of shares, the number of shares permitted to be purchased will be rounded down to the lowest whole share;

provided, however, that the number of shares with respect to which this Warrant

shall not then have been exercised will appropriately reflect such adjustment.

2. Warrant Price.

The Warrant Price is \$5.30 per share, subject to adjustment from time to time pursuant to the provisions of Section 5 hereof.

3. Method of Exercise or Conversion; Payment; Issuance of New Warrant.

(a) Exercise. Subject to Section 1 hereof, the purchase right

represented by this Warrant may be exercised by the Holder, in whole or in part, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the Company and by

the payment to the Company, by cashier's check or wire transfer, of an amount equal to the then applicable Warrant Price per share multiplied by the number of shares then being purchased. The Company agrees that the shares so purchased shall be deemed to be issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such shares as aforesaid. In the event of any exercise of this Warrant, certificates for the shares of stock so purchased shall be delivered to the Holder within 15 business days thereafter and, unless this Warrant has been fully exercised or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder within such 15 business day period.

(b) Conversion. Subject to Section 1 hereof, the Holder may convert

this Warrant (the "Conversion Right"), in whole or in part, into the number of shares (less the number of shares which have been previously exercised or as to which the Conversion Right has been previously exercised) calculated pursuant to the following formula by surrendering this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the

Company specifying the number of shares the rights to purchase which the Holder desires to convert:

$$X = \frac{Y (A - B)}{A}$$

where: X = the number of shares of Class A Common Stock to be issued to the Holder;

Y = the number of shares of Class A Common Stock subject to this Warrant for which the Conversion Right is being exercised;

A = the Market Price of the Common Stock (as defined below) as of the trading day immediately preceding the date of exercise of this Warrant; and

B = the Warrant Price

For purposes hereof, the "Market Price of the Common Stock" shall be the closing price per share of the Class A Common Stock of the Company on the

principal national securities exchange on which the Class A Common Stock of the Company is then listed or admitted to trading or, if not then listed or traded on any such exchange, on the NASDAQ National Market System, or if then not listed or traded on such system, the closing bid price per share on NASDAQ or other over-the-counter trading market. If at any time such quotations are not available, the market price of a share of Class A Common Stock shall be the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Class A Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors of the Company, unless the Company shall become subject to a merger, acquisition or other consolidation pursuant to which the Company is not the surviving party, in which case the market price of a share of Class A Common Stock shall be deemed to be the value received by the holders of the Company's Class A Common Stock for each share of Class A Common Stock pursuant to the Company's acquisition.

The Company agrees that the shares so converted shall be deemed issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered as aforesaid. In the event of any conversion of this Warrant, certificates for the shares of stock so converted shall be delivered to the holder hereof within 15 business days thereafter and, unless this Warrant has been fully converted or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been converted, shall also be issued to the holder hereof within such 15-day period.

4. Stock Fully Paid; Reservation of Shares.

All Class A Common Stock which may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be fully paid and nonassessable, and free from all United States taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized, and reserved for the purpose of the issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Class A Common Stock to provide for the exercise of the rights represented by this Warrant.

5. Adjustment of Purchase Price and Number of Shares.

The exercise price and number of shares purchasable on exercise of this Warrant shall adjust identically with any adjustments made pursuant to the Trask Warrants and the provisions of Section 5 of the Trask Warrants and the definitions of the different terms therein are hereby incorporated by reference.

6. Notice of Adjustments.

Whenever any Warrant Price shall be adjusted pursuant to Section 5 hereof, the Company shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method

by which such adjustment was calculated, the Warrant Price after giving effect to such adjustment and the number of shares then purchasable upon exercise of this Warrant, and shall cause copies of such certificate to be mailed (by first class mail, postage prepaid) to the Holder of this Warrant at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

7. Fractional Shares.

No fractional shares of Class A Common Stock will be issued in conjunction with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefore on the basis of the Warrant Price then in effect.

8. Compliance with Securities Act.

The Holder of this Warrant, by acceptance hereof, agrees that this Warrant and the shares of Class A Common Stock to be issued on exercise hereof are being acquired for investment and that it will not offer, sell or otherwise dispose of this Warrant or any shares of Class A Common Stock to be issued upon exercise hereof except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act"). This Warrant and all shares of Class A Common Stock issued upon exercise of this Warrant (unless registered under the Act) shall be stamped and imprinted with a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS IT HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED."

9. Notice of Exercise of Class A Warrants.

Whenever any Trask Warrants shall be exercised, within 30 days after such exercise the Company shall notify the Holder (by first class mail, postage prepaid) at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

10. Miscellaneous.

(a) No Rights as Shareholder. The Holder of this Warrant shall not

be entitled to vote or receive dividends or be deemed the Holder of Class A Common Stock or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder of this Warrant, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of

stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until the Warrant shall have been exercised and the shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

(b) Replacement. On receipt of evidence reasonably satisfactory to

the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of mutilation, on surrender and cancellation of this Warrant, the Company, at the Holder's expense, will execute and deliver, in lieu of this Warrant, a new Warrant of like tenor.

(c) Notice. Any notice given to either party under this Warrant

shall be in writing, and any notice hereunder shall be deemed to have been given upon the earlier of delivery thereof by hand delivery, by courier, or by standard form of telecommunication or three (3) business days after the mailing thereof in the U.S. mail if sent registered mail with postage prepaid, addressed to the Company at its principal executive offices and to the Holder at its address set forth in the Company's books and records or at such other address as the Holder may have provided to the Company in writing.

(d) Governing Law. This Warrant shall be governed and construed

under the laws of the State of California.

[Remainder of page intentionally left blank]

This Warrant is executed as of this ____ day of _____, 1999.

AMERIGON INCORPORATED

By: _____

Name: _____

Title: _____

NOTICE OF EXERCISE

TO: AMERIGON INCORPORATED

1. Check Box that Applies:

The undersigned hereby elects to purchase _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price of such shares in full.

The undersigned hereby elects to convert the attached warrant into _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant.

2. Please issue a certificate or certificates representing said shares of Class A Common Stock in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

3. The undersigned represents that the aforesaid shares of Class A Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares.

Signature

CONTINGENT COMMON STOCK PURCHASE WARRANT

THIS SECURITY AND ANY SHARES ISSUED UPON EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THE APPLICABLE SECURITY HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

AMERIGON INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

This certifies that, for value received, _____ (the "Holder") is entitled to subscribe for and purchase up to 558,659 shares (subject to adjustment from time to time pursuant to the provisions of Section 5 hereof) of fully paid and nonassessable Class A Common Stock of Amerigon Incorporated, a California corporation (the "Company"), at the price specified in Section 2 hereof, as such price may be adjusted from time to time pursuant to Section 5 hereof (the "Warrant Price"), subject to the provisions and upon the terms and conditions hereinafter set forth.

As used herein, the term "Class A Common Stock" shall mean the Company's presently authorized Class A Common Stock, no par value, and any stock into or for which such Common Stock may hereafter be converted or exchanged.

1. Term of Warrant; Contingent Exercise.

(a) Term. Subject to Section 1(b) hereof, the purchase right

represented by this Warrant is exercisable, in whole or in part, at any time during a period beginning on [Closing Date] and ending ninety days after the Warrant Expiration Date as such term is defined in the Warrant Agreement dated February 12, 1997, by and among the Company, U.S. Stock Transfer Corporation, as Warrant Agent, and D.H. Blair Investment Banking Corp. (the "1997 Warrant Agreement").

(b) Contingent Exercise. The number of shares that may be purchased

pursuant to the exercise of this Warrant is limited to a number of shares equal to 36.9% multiplied by the number of shares purchased pursuant to the exercise of Class A Warrants of the Company after the date hereof. To the extent that this would result in the right to purchase a fractional number of shares, the number of shares permitted to be purchased will be rounded down to the lowest whole share; provided, however, that the number of shares with respect to which

this Warrant shall not then have been exercised will appropriately reflect such adjustment.

2. Warrant Price.

The Warrant Price is \$25.00 per share, subject to adjustment from time to time pursuant to the provisions of Section 5 hereof.

3. Method of Exercise or Conversion; Payment; Issuance of New Warrant.

(a) Exercise. Subject to Section 1 hereof, the purchase right

represented by this Warrant may be exercised by the Holder, in whole or in part, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the Company and by

the payment to the Company, by cashier's check or wire transfer, of an amount equal to the then applicable Warrant Price per share multiplied by the number of shares then being purchased. The Company agrees that the shares so purchased shall be deemed to be issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such shares as aforesaid. In the event of any exercise of this Warrant, certificates for the shares of stock so purchased shall be delivered to the Holder within 15 business days thereafter and, unless this Warrant has been fully exercised or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder within such 15 business day period.

(b) Conversion. Subject to Section 1 hereof, the Holder may convert

this Warrant (the "Conversion Right"), in whole or in part, into the number of shares (less the number of shares which have been previously exercised or as to which the Conversion Right has been previously exercised) calculated pursuant to the following formula by surrendering this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the

Company specifying the number of shares the rights to purchase which the Holder desires to convert:

$$X = \frac{Y (A - B)}{A}$$

where: X = the number of shares of Class A Common Stock to be issued to the Holder;

Y = the number of shares of Class A Common Stock subject to this Warrant for which the Conversion Right is being exercised;

A = the Market Price of the Common Stock (as defined below) as of the trading day immediately preceding the date of exercise of this Warrant; and

B = the Warrant Price

For purposes hereof, the "Market Price of the Common Stock" shall be the closing price per share of the Class A Common Stock of the Company on the principal national securities exchange on which the Class A Common Stock of the Company is then listed or admitted to trading or, if not then listed or traded on

any such exchange, on the NASDAQ National Market System, or if then not listed or traded on such system, the closing bid price per share on NASDAQ or other over-the-counter trading market. If at any time such quotations are not available, the market price of a share of Class A Common Stock shall be the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Class A Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors of the Company, unless the Company shall become subject to a merger, acquisition or other consolidation pursuant to which the Company is not the surviving party, in which case the market price of a share of Class A Common Stock shall be deemed to be the value received by the holders of the Company's Class A Common Stock for each share of Class A Common Stock pursuant to the Company's acquisition.

The Company agrees that the shares so converted shall be deemed issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered as aforesaid. In the event of any conversion of this Warrant, certificates for the shares of stock so converted shall be delivered to the holder hereof within 15 business days thereafter and, unless this Warrant has been fully converted or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been converted, shall also be issued to the holder hereof within such 15-day period.

4. Stock Fully Paid; Reservation of Shares.

All Class A Common Stock which may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be fully paid and nonassessable, and free from all United States taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized, and reserved for the purpose of the issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Class A Common Stock to provide for the exercise of the rights represented by this Warrant.

5. Adjustment of Purchase Price and Number of Shares.

The exercise price and number of shares purchasable on exercise of this Warrant shall adjust identically with any adjustments made pursuant to the 1997 Warrant Agreement and the provisions of Section 9 of the 1997 Warrant Agreement and the definitions of the different terms therein are hereby incorporated by reference.

6. Notice of Adjustments.

Whenever any Warrant Price shall be adjusted pursuant to Section 5 hereof, the Company shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, the Warrant Price after giving effect to such adjustment and the number of shares then purchasable upon exercise of this Warrant, and shall

cause copies of such certificate to be mailed (by first class mail, postage prepaid) to the Holder of this Warrant at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

7. Fractional Shares.

No fractional shares of Class A Common Stock will be issued in conjunction with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefore on the basis of the Warrant Price then in effect.

8. Compliance with Securities Act.

The Holder of this Warrant, by acceptance hereof, agrees that this Warrant and the shares of Class A Common Stock to be issued on exercise hereof are being acquired for investment and that it will not offer, sell or otherwise dispose of this Warrant or any shares of Class A Common Stock to be issued upon exercise hereof except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act"). This Warrant and all shares of Class A Common Stock issued upon exercise of this Warrant (unless registered under the Act) shall be stamped and imprinted with a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS IT HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED."

9. Notice of Exercise of Class A Warrants.

Whenever any Class A Warrant shall be exercised, within 30 days after such exercise the Company shall notify the Holder (by first class mail, postage prepaid) at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

10. Miscellaneous.

(a) No Rights as Shareholder. The Holder of this Warrant shall not

be entitled to vote or receive dividends or be deemed the Holder of Class A Common Stock or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder of this Warrant, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive

dividends or subscription rights or otherwise until the Warrant shall have been exercised and the shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

(b) Replacement. On receipt of evidence reasonably satisfactory to

the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of mutilation, on surrender and cancellation of this Warrant, the Company, at the Holder's expense, will execute and deliver, in lieu of this Warrant, a new Warrant of like tenor.

(c) Notice. Any notice given to either party under this Warrant

shall be in writing, and any notice hereunder shall be deemed to have been given upon the earlier of delivery thereof by hand delivery, by courier, or by standard form of telecommunication or three (3) business days after the mailing thereof in the U.S. mail if sent registered mail with postage prepaid, addressed to the Company at its principal executive offices and to the Holder at its address set forth in the Company's books and records or at such other address as the Holder may have provided to the Company in writing.

(d) Governing Law. This Warrant shall be governed and construed

under the laws of the State of California.

[Remainder of page intentionally left blank]

This Warrant is executed as of this ____ day of _____, 1999.

AMERIGON INCORPORATED

By: _____

Name: _____

Title: _____

NOTICE OF EXERCISE

TO: AMERIGON INCORPORATED

1. Check Box that Applies:

: The undersigned hereby elects to purchase _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price of such shares in full.

: The undersigned hereby elects to convert the attached warrant into _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant.

2. Please issue a certificate or certificates representing said shares of Class A Common Stock in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

3. The undersigned represents that the aforesaid shares of Class A Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares.

Signature

CONTINGENT COMMON STOCK PURCHASE WARRANT

THIS SECURITY AND ANY SHARES ISSUED UPON EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THE APPLICABLE SECURITY HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

AMERIGON INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

This certifies that, for value received, _____ (the "Holder") is entitled to subscribe for and purchase up to 4428 shares (subject to adjustment from time to time pursuant to the provisions of Section 5 hereof) of fully paid and nonassessable Class A Common Stock of Amerigon Incorporated, a California corporation (the "Company"), at the price specified in Section 2 hereof, as such price may be adjusted from time to time pursuant to Section 5 hereof (the "Warrant Price"), subject to the provisions and upon the terms and conditions hereinafter set forth.

As used herein, the term "Class A Common Stock" shall mean the Company's presently authorized Class A Common Stock, no par value, and any stock into or for which such Common Stock may hereafter be converted or exchanged.

1. Term of Warrant; Contingent Exercise.

(a) Term. Subject to Section 1(b) hereof, the purchase right

represented by this Warrant is exercisable, in whole or in part, at any time during a period beginning on [Closing Date] and ending ninety days after the later of the two "Warrant Expiration Dates" as defined in the Warrant to Purchase Class A Common Stock dated December 29, 1995 from the Company to Sutro & Co. and the Warrant to Purchase Class A Common Stock dated December 29, 1995 from the Company to Lido Consulting, Inc. (the "1995 Private Placement Warrants").

(b) Contingent Exercise. The number of shares that may be purchased

pursuant to the exercise of this Warrant is limited to a number of shares equal to 36.9% multiplied by the number of shares purchased pursuant to the exercise of the 1995 Private Placement Warrants after the date hereof. To the extent that this would result in the right to purchase a fractional number of shares, the number of shares permitted to be purchased will be rounded down to the lowest whole share; provided, however, that the number of shares with respect to

which this Warrant shall not then have been exercised will appropriately reflect such adjustment.

2. Warrant Price.

The Warrant Price is \$51.25 per share, subject to adjustment from time to time pursuant to the provisions of Section 5 hereof.

3. Method of Exercise or Conversion; Payment; Issuance of New Warrant.

(a) Exercise. Subject to Section 1 hereof, the purchase right

represented by this Warrant may be exercised by the Holder, in whole or in part, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the Company and by

the payment to the Company, by cashier's check or wire transfer, of an amount equal to the then applicable Warrant Price per share multiplied by the number of shares then being purchased. The Company agrees that the shares so purchased shall be deemed to be issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such shares as aforesaid. In the event of any exercise of this Warrant, certificates for the shares of stock so purchased shall be delivered to the Holder within 15 business days thereafter and, unless this Warrant has been fully exercised or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder within such 15 business day period.

(b) Conversion. Subject to Section 1 hereof, the Holder may convert

this Warrant (the "Conversion Right"), in whole or in part, into the number of shares (less the number of shares which have been previously exercised or as to which the Conversion Right has been previously exercised) calculated pursuant to the following formula by surrendering this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the

Company specifying the number of shares the rights to purchase which the Holder desires to convert:

$$X = \frac{Y (A - B)}{A}$$

where: X = the number of shares of Class A Common Stock to be issued to the Holder;

Y = the number of shares of Class A Common Stock subject to this Warrant for which the Conversion Right is being exercised;

A = the Market Price of the Common Stock (as defined below) as of the trading day immediately preceding the date of exercise of this Warrant; and

B = the Warrant Price

For purposes hereof, the "Market Price of the Common Stock" shall be the closing price per share of the Class A Common Stock of the Company on the principal national securities exchange on which the Class A Common Stock of the Company is then listed or admitted to trading or, if not then listed or traded on

any such exchange, on the NASDAQ National Market System, or if then not listed or traded on such system, the closing bid price per share on NASDAQ or other over-the-counter trading market. If at any time such quotations are not available, the market price of a share of Class A Common Stock shall be the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Class A Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors of the Company, unless the Company shall become subject to a merger, acquisition or other consolidation pursuant to which the Company is not the surviving party, in which case the market price of a share of Class A Common Stock shall be deemed to be the value received by the holders of the Company's Class A Common Stock for each share of Class A Common Stock pursuant to the Company's acquisition.

The Company agrees that the shares so converted shall be deemed issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered as aforesaid. In the event of any conversion of this Warrant, certificates for the shares of stock so converted shall be delivered to the holder hereof within 15 business days thereafter and, unless this Warrant has been fully converted or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been converted, shall also be issued to the holder hereof within such 15-day period.

4. Stock Fully Paid; Reservation of Shares.

All Class A Common Stock which may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be fully paid and nonassessable, and free from all United States taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized, and reserved for the purpose of the issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Class A Common Stock to provide for the exercise of the rights represented by this Warrant.

5. Adjustment of Purchase Price and Number of Shares.

The exercise price and number of shares purchasable on exercise of this Warrant shall adjust identically with any adjustments made pursuant to the 1995 Private Placement Warrants and the provisions of Section 7 of the 1995 Private Placement Warrants or other adjustment provisions set forth in the 1995 Private Placement Warrants and the definitions of the different terms therein are hereby incorporated by reference.

6. Notice of Adjustments.

Whenever any Warrant Price shall be adjusted pursuant to Section 5 hereof, the Company shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, the Warrant Price after giving effect to such

adjustment and the number of shares then purchasable upon exercise of this Warrant, and shall cause copies of such certificate to be mailed (by first class mail, postage prepaid) to the Holder of this Warrant at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

7. Fractional Shares.

No fractional shares of Class A Common Stock will be issued in conjunction with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefore on the basis of the Warrant Price then in effect.

8. Compliance with Securities Act.

The Holder of this Warrant, by acceptance hereof, agrees that this Warrant and the shares of Class A Common Stock to be issued on exercise hereof are being acquired for investment and that it will not offer, sell or otherwise dispose of this Warrant or any shares of Class A Common Stock to be issued upon exercise hereof except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act"). This Warrant and all shares of Class A Common Stock issued upon exercise of this Warrant (unless registered under the Act) shall be stamped and imprinted with a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS IT HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED."

9. Notice of Exercise of Class A Warrants.

Whenever any 1995 Private Placement Warrants shall be exercised, within 30 days after such exercise the Company shall notify the Holder (by first class mail, postage prepaid) at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

10. Miscellaneous.

(a) No Rights as Shareholder. The Holder of this Warrant shall not be

entitled to vote or receive dividends or be deemed the Holder of Class A Common Stock or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder of this Warrant, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value,

consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until the Warrant shall have been exercised and the shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

(b) Replacement. On receipt of evidence reasonably satisfactory to

the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of mutilation, on surrender and cancellation of this Warrant, the Company, at the Holder's expense, will execute and deliver, in lieu of this Warrant, a new Warrant of like tenor.

(c) Notice. Any notice given to either party under this Warrant shall

be in writing, and any notice hereunder shall be deemed to have been given upon the earlier of delivery thereof by hand delivery, by courier, or by standard form of telecommunication or three (3) business days after the mailing thereof in the U.S. mail if sent registered mail with postage prepaid, addressed to the Company at its principal executive offices and to the Holder at its address set forth in the Company's books and records or at such other address as the Holder may have provided to the Company in writing.

(d) Governing Law. This Warrant shall be governed and construed under

the laws of the State of California.

[Remainder of page intentionally left blank]

This Warrant is executed as of this ____ day of _____, 1999.

AMERIGON INCORPORATED

By: _____

Name: _____

Title: _____

NOTICE OF EXERCISE

TO: AMERIGON INCORPORATED

1. Check Box that Applies:

: The undersigned hereby elects to purchase _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price of such shares in full.

: The undersigned hereby elects to convert the attached warrant into _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant.

2. Please issue a certificate or certificates representing said shares of Class A Common Stock in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

3. The undersigned represents that the aforesaid shares of Class A Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares.

Signature

CONTINGENT COMMON STOCK PURCHASE WARRANT

THIS SECURITY AND ANY SHARES ISSUED UPON EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THE APPLICABLE SECURITY HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED.

AMERIGON INCORPORATED

WARRANT TO PURCHASE COMMON STOCK

This certifies that, for value received, _____ (the "Holder") is entitled to subscribe for and purchase up to 7380 shares (subject to adjustment from time to time pursuant to the provisions of Section 5 hereof) of fully paid and nonassessable Class A Common Stock of Amerigon Incorporated, a California corporation (the "Company"), at the price specified in Section 2 hereof, as such price may be adjusted from time to time pursuant to Section 5 hereof (the "Warrant Price"), subject to the provisions and upon the terms and conditions hereinafter set forth.

As used herein, the term "Class A Common Stock" shall mean the Company's presently authorized Class A Common Stock, no par value, and any stock into or for which such Common Stock may hereafter be converted or exchanged.

1. Term of Warrant; Contingent Exercise.

(a) Term. Subject to Section 1(b) hereof, the purchase right

represented by this Warrant is exercisable, in whole or in part, at any time during a period beginning on [Closing Date] and ending ninety days after the latest of the end of the terms of the warrants as respectively set forth in Section 1(a) of the Common Stock Purchase Warrant dated [Issue Date] from the Company to Spencer Trask Securities Incorporated (the "Trask Warrant").

(b) Contingent Exercise. The number of shares that may be purchased

pursuant to the exercise of this Warrant is limited to a number of shares equal to 36.9% multiplied by the number of shares purchased pursuant to the exercise of the Trask Warrant after the date hereof. To the extent that this would result in the right to purchase a fractional number of shares, the number of shares permitted to be purchased will be rounded down to the lowest whole share; provided, however, that the number of shares with respect to which this Warrant

shall not then have been exercised will appropriately reflect such adjustment.

2. Warrant Price.

The Warrant Price is \$[Trask Warrant issue price], subject to adjustment from time to time pursuant to the provisions of Section 5 hereof.

3. Method of Exercise or Conversion; Payment; Issuance of New Warrant.

(a) Exercise. Subject to Section 1 hereof, the purchase right

represented by this Warrant may be exercised by the Holder, in whole or in part, by the surrender of this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the Company and by

the payment to the Company, by cashier's check or wire transfer, of an amount equal to the then applicable Warrant Price per share multiplied by the number of shares then being purchased. The Company agrees that the shares so purchased shall be deemed to be issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for such shares as aforesaid. In the event of any exercise of this Warrant, certificates for the shares of stock so purchased shall be delivered to the Holder within 15 business days thereafter and, unless this Warrant has been fully exercised or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been exercised, shall also be issued to the Holder within such 15 business day period.

(b) Conversion. Subject to Section 1 hereof, the Holder may convert

this Warrant (the "Conversion Right"), in whole or in part, into the number of shares (less the number of shares which have been previously exercised or as to which the Conversion Right has been previously exercised) calculated pursuant to the following formula by surrendering this Warrant (with the notice of exercise form attached hereto as Exhibit 1 duly executed) at the principal office of the

Company specifying the number of shares the rights to purchase which the Holder desires to convert:

$$X = \frac{Y (A - B)}{A}$$

where: X = the number of shares of Class A Common Stock to be issued to the Holder;

Y = the number of shares of Class A Common Stock subject to this Warrant for which the Conversion Right is being exercised;

A = the Market Price of the Common Stock (as defined below) as of the trading day immediately preceding the date of exercise of this Warrant; and

B = the Warrant Price

For purposes hereof, the "Market Price of the Common Stock" shall be the closing price per share of the Class A Common Stock of the Company on the principal national securities exchange on which the Class A Common Stock of the Company is then listed or admitted to trading or, if not then listed or traded on

any such exchange, on the NASDAQ National Market System, or if then not listed or traded on such system, the closing bid price per share on NASDAQ or other over-the-counter trading market. If at any time such quotations are not available, the market price of a share of Class A Common Stock shall be the highest price per share which the Company could obtain from a willing buyer (not a current employee or director) for shares of Class A Common Stock sold by the Company, from authorized but unissued shares, as determined in good faith by the Board of Directors of the Company, unless the Company shall become subject to a merger, acquisition or other consolidation pursuant to which the Company is not the surviving party, in which case the market price of a share of Class A Common Stock shall be deemed to be the value received by the holders of the Company's Class A Common Stock for each share of Class A Common Stock pursuant to the Company's acquisition.

The Company agrees that the shares so converted shall be deemed issued to the Holder as the record owner of such shares as of the close of business on the date on which this Warrant shall have been surrendered as aforesaid. In the event of any conversion of this Warrant, certificates for the shares of stock so converted shall be delivered to the holder hereof within 15 business days thereafter and, unless this Warrant has been fully converted or expired, a new Warrant representing the portion of the shares, if any, with respect to which this Warrant shall not then have been converted, shall also be issued to the holder hereof within such 15-day period.

4. Stock Fully Paid; Reservation of Shares.

All Class A Common Stock which may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be fully paid and nonassessable, and free from all United States taxes, liens and charges with respect to the issue thereof. During the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized, and reserved for the purpose of the issuance upon exercise of the purchase rights evidenced by this Warrant, a sufficient number of shares of its Class A Common Stock to provide for the exercise of the rights represented by this Warrant.

5. Adjustment of Purchase Price and Number of Shares.

The exercise price and number of shares purchasable on exercise of this Warrant shall adjust identically with any adjustments made pursuant to the Trask Warrant and the provisions of Section 5 of the Trask Warrant and the definitions of the different terms therein are hereby incorporated by reference.

6. Notice of Adjustments.

Whenever any Warrant Price shall be adjusted pursuant to Section 5 hereof, the Company shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, the Warrant Price after giving effect to such adjustment and the number of shares then purchasable upon exercise of this Warrant, and shall

cause copies of such certificate to be mailed (by first class mail, postage prepaid) to the Holder of this Warrant at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

7. Fractional Shares.

No fractional shares of Class A Common Stock will be issued in conjunction with any exercise hereunder, but in lieu of such fractional shares the Company shall make a cash payment therefore on the basis of the Warrant Price then in effect.

8. Compliance with Securities Act.

The Holder of this Warrant, by acceptance hereof, agrees that this Warrant and the shares of Class A Common Stock to be issued on exercise hereof are being acquired for investment and that it will not offer, sell or otherwise dispose of this Warrant or any shares of Class A Common Stock to be issued upon exercise hereof except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "Act"). This Warrant and all shares of Class A Common Stock issued upon exercise of this Warrant (unless registered under the Act) shall be stamped and imprinted with a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS IT HAS BEEN REGISTERED UNDER THE ACT AND SUCH LAWS OR (1) REGISTRATION UNDER SUCH LAWS IS NOT REQUIRED AND (2) AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY IS FURNISHED TO THE COMPANY TO THE EFFECT THAT REGISTRATION UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS IS NOT REQUIRED."

9. Notice of Exercise of Class A Warrants.

Whenever any Trask Warrant shall be exercised, within 30 days after such exercise the Company shall notify the Holder (by first class mail, postage prepaid) at the address specified in Section 10(c) hereof, or at such other address as may be provided to the Company in writing by the Holder of this Warrant.

10. Miscellaneous.

(a) No Rights as Shareholder. The Holder of this Warrant shall not be

entitled to vote or receive dividends or be deemed the Holder of Class A Common Stock or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder of this Warrant, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive

dividends or subscription rights or otherwise until the Warrant shall have been exercised and the shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

(b) Replacement. On receipt of evidence reasonably satisfactory to

the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of mutilation, on surrender and cancellation of this Warrant, the Company, at the Holder's expense, will execute and deliver, in lieu of this Warrant, a new Warrant of like tenor.

(c) Notice. Any notice given to either party under this Warrant shall

be in writing, and any notice hereunder shall be deemed to have been given upon the earlier of delivery thereof by hand delivery, by courier, or by standard form of telecommunication or three (3) business days after the mailing thereof in the U.S. mail if sent registered mail with postage prepaid, addressed to the Company at its principal executive offices and to the Holder at its address set forth in the Company's books and records or at such other address as the Holder may have provided to the Company in writing.

(d) Governing Law. This Warrant shall be governed and construed under

the laws of the State of California.

[Remainder of page intentionally left blank]

This Warrant is executed as of this ____ day of _____, 1999.

AMERIGON INCORPORATED

By: _____

Name: _____

Title: _____

NOTICE OF EXERCISE

TO: AMERIGON INCORPORATED

1. Check Box that Applies:

:The undersigned hereby elects to purchase _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant, and tenders herewith payment of the purchase price of such shares in full.

:The undersigned hereby elects to convert the attached warrant into _____ shares of Class A Common Stock of AMERIGON INCORPORATED pursuant to the terms of the attached Warrant.

2. Please issue a certificate or certificates representing said shares of Class A Common Stock in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

3. The undersigned represents that the aforesaid shares of Class A Common Stock are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares.

Signature

CREDIT AGREEMENT

THIS CREDIT AGREEMENT (this "Agreement"), dated as of March 29, 1999, is made between Amerigon Incorporated, a California corporation (the "Company"), and Big Star Investments LLC, a Delaware limited liability company ("Lender").

The Company has requested the Lender to make term loans to the Company in an aggregate principal amount of up to \$1,200,000. The Lender is willing to make such loans to the Company upon the terms and subject to the conditions set forth in this Agreement.

Accordingly, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.01 Certain Defined Terms. As used in this Agreement, the

following terms shall have the following meanings:

"Affiliate" means any Person which, directly or indirectly, controls,

is controlled by or is under common control with another Person. For purposes of the foregoing, "control," "controlled by" and "under common control with" with respect to any Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"Bridge Loan Warrant" has the meaning set forth in Section 2.11.

"Budget" means the Company's budget, attached hereto as Exhibit A,

indicating the proposed uses of the proceeds of the Loans (including the purpose of expenditure, persons to be paid, amounts, and dates on which payments are expected to be made), including any subsequent amendments to such budget as may be approved by the Lender (which approval shall not be unreasonably withheld).

"Business Day" means a day of the year on which commercial banks are

not required or authorized by law to close in Los Angeles, California.

"Closing Date" means the date upon which the conditions set forth in

Sections 3.01 and 3.02 are satisfied and the initial Loan hereunder is made.

"Collateral" means the property described in the Collateral Documents,

and all other property now existing or hereafter acquired which may at any time be or become subject to a Lien in favor of the Lender pursuant to the Collateral Documents or otherwise, securing the payment and performance of the Obligations.

"Collateral Documents" means the Security Agreement, the Patent and

Trademark Security Agreement, any other agreement pursuant to which the Company provides a Lien on its

assets in favor of the Lender and all filings (including, but not limited to, all U.C.C. financing statements filed to perfect the security interests granted in the Security Agreement), documents and agreements made or delivered pursuant thereto.

"Commitment" means the Term Commitment.

"Company" has the meaning set forth in the recital of parties to this Agreement.

"Default" means an Event of Default or an event or condition which

with notice or lapse of time or both would constitute an Event of Default.

"Environmental Laws" means all federal, state or local laws, statutes,

common law duties, rules, regulations, ordinances, judgments and codes, together with all administrative orders, directives, requests, licenses, authorizations and permits of, and agreements with (including consent decrees), any governmental agencies or authorities, in each case relating to or imposing liability or standards of conduct concerning public health, safety and environmental protection matters.

"Event of Default" has the meaning set forth in Section 6.01.

"Final Maturity Date" means the earlier to occur of (i) September 30,

1999, (ii) the closing of the financing pursuant to the Securities Purchase Agreement, or (iii) the occurrence of a Trigger Event.

"GAAP" means generally accepted principles in the United States,

consistently applied.

"Hazardous Substances" means any toxic, radioactive, caustic or other

hazardous substances, materials, wastes, contaminants or pollutants, including asbestos, PCBs, petroleum products and byproducts, and any substances defined or listed as "hazardous substances," "hazardous materials," "hazardous wastes" or "toxic substances" (or similarly identified or having any constituent substances displaying any of the foregoing characteristics), regulated under or forming the basis for liability under any applicable Environmental Law.

"Indebtedness" means, for any Person, (i) all indebtedness or other

obligations of such Person for borrowed money or for the deferred purchase price of property or services; (ii) all obligations evidenced by notes, bonds, debentures or similar instruments, including obligations so evidenced incurred in connection with the acquisition of property, assets or businesses; (iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person; (iv) all reimbursement and other obligations of such Person in respect of letters of credit and bankers acceptances and all net obligations in respect of interest rate swaps, caps, floors and collars, currency swaps, and other similar financial products; (v) all obligations under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases; and (vi) all indebtedness of another Person of the types referred to in clauses (i) through (v) guaranteed directly or indirectly in any manner by the Person for whom Indebtedness is being determined, or in effect guaranteed directly or indirectly by such Person through an agreement to purchase or acquire such indebtedness, to advance or supply funds for the payment or purchase of such indebtedness or otherwise assure a

creditor against loss, or secured by any Lien upon or in property owned by the Person for whom Indebtedness is being determined, whether or not such Person has assumed or become liable for the payment of such indebtedness of such other Person.

"Investors" shall mean Westar Capital II LLC and Big Beaver

Investments LLC.

"Lender" has the meaning set forth in the recital of parties to this

Agreement.

"Lien" means any mortgage, pledge, security interest, assignment,

deposit arrangement, charge or encumbrance, lien or other type of preferential arrangement (other than a financing statement filed by a lessor in respect of an operating lease not intended as security).

"Loan Documents" means this Agreement, the Note, the Collateral

Documents and all other certificates, documents, agreements and instruments delivered to the Lender under or in connection with this Agreement.

"Loans" means the Term Loan.

"Material Adverse Effect" means any event, circumstance or condition

that, individually or in the aggregate (i) has or could reasonably be expected to have a material adverse effect on the business, operations, assets, liabilities (including without limitation contingent liabilities), prospects, employee relationships, customer or supplier relationships, or the condition (financial or otherwise) of the Company; (ii) would materially impair the ability of the Company to perform or observe its obligations under or in respect of the Loan Documents; or (iii) adversely affects the legality, validity, binding effect or enforceability of any of the Loan Documents or the perfection or priority of any Lien granted to the Lender under any of the Collateral Documents.

"Note" has the meaning set forth in Section 2.03.

"Obligations" means the indebtedness, liabilities and other

obligations of the Company to the Lender under or in connection with the Loan Documents, including all Loans, all interest accrued thereon, all fees due under this Agreement and all other amounts payable by the Company to the Lender thereunder or in connection therewith.

"Patent and Trademark Security Agreement" means the Patent and

Trademark Assignment and Security Agreement between the Company and the Lender, in form and substance satisfactory to the Lender.

"Permitted Liens" means: (i) Liens in favor of the Lender; (ii) the

existing Liens (including leases and subleases) listed in Schedule 1 or incurred

in connection with the extension, renewal or refinancing of the Indebtedness secured by such existing Liens, provided that any extension, renewal or

replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the Indebtedness being extended, renewed or refinanced does not increase; (iii) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings and which are adequately reserved for in accordance with GAAP, provided the same does not have priority over any of the

Lender's Liens and no notice of tax lien has been filed of

record; (iv) Liens of materialmen, mechanics, warehousemen, carriers or employees or other similar Liens provided for by mandatory provisions of law and securing obligations either not delinquent or being contested in good faith by appropriate proceedings and which do not in the aggregate materially impair the use or value of the property or risk the loss or forfeiture thereof; (v) Liens consisting of deposits or pledges to secure the performance of bids, trade contracts, leases, public or statutory obligations, or other obligations of a like nature incurred in the ordinary course of business (other than for Indebtedness); (vi) Liens upon or in any equipment acquired or held by the Company to secure the purchase price of such equipment or Indebtedness incurred solely for the purpose of financing the acquisition of such equipment; and (vii) restrictions and other minor encumbrances on real property which do not in the aggregate materially impair the use or value of such property or risk the loss or forfeiture thereof.

"Person" means an individual, corporation, partnership, joint venture, -----
trust, unincorporated organization or any other entity of whatever nature or any governmental agency or authority.

"Responsible Officer" means, with respect to any Person, the chief -----
executive officer, the president, the chief financial officer or the treasurer of such Person, or any other senior officer of such Person having substantially the same authority and responsibility.

"Security Agreement" means a Security Agreement between the Company -----
and the Lender, in form and substance satisfactory to the Lender.

"Securities Purchase Agreement" means that certain Securities Purchase -----
Agreement of even date herewith between the Company and the Investors.

"Term Commitment" means \$1,200,000 or, where the context so requires, -----
the obligation of the Lender to make a Term Loan up to such amount on the terms and conditions set forth in this Agreement.

"Term Loan" has the meaning set forth in Section 2.01(b).

"Term Loan Availability Period" means the period extending from and -----
including the Closing Date through the earliest of : (i) September 1, 1999, (ii) the occurrence of a Trigger Event, (iii) the date on which the financing contemplated by the Securities Purchase Agreement is completed, or (iv) the date upon which the Lender declares an Event of Default.

"Trigger Event" means that the Company (or its Board of Directors) -----
shall have authorized, recommended, proposed or publicly announced its intention to enter into (or has failed to recommend rejection of) any tender or exchange offer, merger, consolidation, liquidation, dissolution, business combination, recapitalization, acquisition, or disposition of a material amount of assets or securities or any comparable transaction which has not been consented to in writing by the Lender.

SECTION 1.02 Accounting Terms. Unless otherwise defined or the -----
context otherwise requires, all accounting terms not expressly defined herein shall be construed, and all accounting determinations and computations required under this Agreement or any other Loan Document shall be made, in accordance with GAAP.

SECTION 1.03 Interpretation. In the Loan Documents, except to the

extent the context otherwise requires: (i) any reference to an Article, a Section, a Schedule or an Exhibit is a reference to an article or section thereof, or a schedule or an exhibit thereto, respectively, and to a subsection or a clause is, unless otherwise stated, a reference to a subsection or a clause of the Section or subsection in which the reference appears; (ii) the words "hereof," "herein," "hereto," "hereunder" and the like mean and refer to this Agreement or any other Loan Document as a whole and not merely to the specific Article, Section, subsection, paragraph or clause in which the respective word appears; (iii) the meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined; (iv) the words "including," "includes" and "include" shall be deemed to be followed by the words "without limitation;" (v) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of the Loan Documents; (vi) references to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending or replacing the statute or regulation referred to; (vii) any table of contents, captions and headings are for convenience of reference only and shall not affect the construction of this Agreement or any other Loan Document; and (viii) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including."

ARTICLE II
THE LOANS

SECTION 2.01 Term Loan. The Lender agrees, subject to the terms

and conditions of this Agreement, to make term loans (each a "Term Loan") to the Company on the Closing Date and from time to time during the Term Loan Availability Period following the Company's compliance with the borrowing procedure under Section 2.02 below, in the aggregate principal amount up to but not exceeding the Term Commitment.

SECTION 2.02 Borrowing Procedure. Each Loan shall be made upon

written notice from the Company to the Lender, which notice shall be received by the Lender not later than 10:00 A.M. (California time) at least three (3) Business Days prior to the proposed borrowing date. Each such notice of borrowing shall be irrevocable and binding on the Company and shall specify the proposed date of the borrowing (which shall be a Business Day), the amount of the borrowing (which shall be at least \$200,000 or a greater amount which is an integral multiple of \$50,000), and payment instructions with respect to the funds to be made available to the Company. Each such notice shall also be accompanied by the Budget (updated to reconcile the use of the proceeds of any prior Loans). Upon fulfillment of the applicable conditions set forth in Article III hereof, the Lender shall make the Loan available to the Company in same day funds, or such other funds as shall separately be agreed upon by the Company and the Lender, in accordance with the payment instructions provided to the Lender as set forth in the borrowing request delivered pursuant hereto.

SECTION 2.03 Evidence of Indebtedness. At the request of the

Lender, the Company shall execute and deliver for account of the Lender a promissory note (the "Note"), in

a form reasonably acceptable to the Lender ,as additional evidence of the Indebtedness of the Company to the Lender resulting from each Term Loan.

SECTION 2.04 Interest. The Company hereby promises to pay interest

on the unpaid principal amount of each Loan from the date of such Loan until the maturity thereof, at a rate equal to 10% per annum, on the date of any prepayment of any such Loan and at maturity.

SECTION 2.05 Computations. All computations of fees and interest

hereunder shall be made on the basis of a year of 360 days for the actual number of days occurring in the period for which any such interest or fee is payable.

SECTION 2.06 Highest Lawful Rate. Anything herein to the contrary

notwithstanding, if during any period for which interest is computed hereunder, the applicable interest rate, together with all fees, charges and other payments which are treated as interest under applicable law, as provided for herein or in any other Loan Document, would exceed the maximum rate of interest which may be charged, contracted for, reserved, received or collected by the Lender in connection with this Agreement under applicable law (the "Maximum Rate"), the Company shall not be obligated to pay, and the Lender shall not be entitled to charge, collect, receive, reserve or take, interest in excess of the Maximum Rate, and during any such period the interest payable hereunder shall be limited to the Maximum Rate.

SECTION 2.07 Termination of the Commitment. Upon the earlier to

occur of (i) September 30, 1999, (ii) the occurrence of a Trigger Event, (iii) the closing of the financing pursuant to the Securities Purchase Agreement, or (iv) the Lender's declaration of an Event of Default, any unused portion of the Term Commitment shall terminate. After the Term Commitment terminates under this Section 2.07 it may not be reinstated.

SECTION 2.08 Repayment of the Loan. The Company hereby promises to

pay to the Lender the principal amount of the Term Loans and any accrued interest thereon in full on the Final Maturity Date.

SECTION 2.09 Prepayments of the Loans.

(a) Optional Prepayments. The Company may, upon prior notice to the

Lender, prepay the outstanding amount of the Loans in whole or in part, without premium or penalty.

(b) Notice; Application. The notice given of any prepayment shall

specify the date and amount of the prepayment. If the notice of prepayment is given, the Company shall make such prepayment and the prepayment amount specified in such notice shall be due and payable on the date specified therein, with accrued interest to such date on the amount prepaid.

SECTION 2.10 Payments.

(a) Payments. The Company shall make each payment under the Loan

Documents, unconditionally in full without deduction, set-off, counterclaim or, to the extent permitted by applicable law, other defense, and free and clear of, and without reduction for or on

account of, any present and future taxes or withholdings (other than a tax on the overall net income of the Lender), and all liabilities with respect thereto. Each payment shall be made not later than 11:00 A.M. (California time) on the day when due to the Lender in U.S. dollars and in immediately available funds, or such other funds as shall be separately agreed upon by the Company and the Lender, in accordance with the Lender's payment instructions.

(b) Extension. Whenever any payment hereunder shall be stated to be

due, or whenever any interest payment date or any other date specified hereunder would otherwise occur, on a day other than a Business Day, then, except as otherwise provided herein, such payment shall be made, and such interest payment date or other date shall occur, on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest.

(c) Application. Each payment by or on behalf of the Company

hereunder shall, unless a specific determination is made by the Lender with respect thereto, be applied (i) first, to accrued and unpaid interest due the Lender; and (ii) second, to principal due the Lender.

SECTION 2.11 Bridge Loan Warrant. Concurrently with the execution

of this Agreement, the Company will issue to the Lender a warrant to purchase 300,000 shares of the Class A Common Stock of the Company on the terms and conditions set forth in Exhibit B hereto (the "Bridge Loan Warrant").

ARTICLE III
CONDITIONS PRECEDENT

SECTION 3.01 Conditions Precedent to the Initial Loan. The

obligation of the Lender to make its initial Loan on the date of the initial borrowing hereunder (the "Closing Date") shall be subject to the satisfaction of each of the following conditions precedent before or concurrently with the initial Loan:

(a) Fees and Expenses. The Company shall have paid all fees and

invoiced costs and expenses then due hereunder.

(b) Loan Documents. The Lender shall have received the following Loan

Documents: (i) this Agreement executed by the Company, (ii) the Note required hereunder, executed by the Company; and (iii) the Collateral Documents executed by each of the respective parties thereto.

(c) Documents and Actions Relating to Collateral. The Lender shall

have received, in form and substance satisfactory to it, results of such Lien searches as it shall reasonably request, and evidence that all filings, registrations and recordings have been made in the appropriate governmental offices, and all other action has been taken, which shall be necessary to create, in favor of the Lender, a perfected first priority Lien on the Collateral.

(d) Additional Closing Documents. The Lender shall have received the

following, in form and substance satisfactory to it: (i) evidence that all (A) authorizations or

approvals of any governmental agency or authority, and (B) approvals or consents of any other Person, required in connection with the execution, delivery and performance of the Loan Documents shall have been obtained; and (ii) a certificate of the Secretary or other appropriate officer of the Company, dated the Closing Date, certifying (A) copies of the articles or certificate of incorporation, and bylaws, of the Company and the resolutions and other actions taken or adopted by the Company authorizing the execution, delivery and performance of the Loan Documents, and (B) the incumbency, authority and signatures of each officer of the Company authorized to execute and deliver the Loan Documents and act with respect thereto.

(e) Legal Opinion. The Lender shall have received an opinion of legal

counsel to the Company dated the Closing Date, in the form attached hereto as Exhibit C.

(f) Bridge Loan Warrant. The Company shall have delivered to the

Lender a duly executed Bridge Loan Warrant, in the form attached hereto as Exhibit B.

(g) Permit. All evidences of indebtedness issued by the Company

pursuant to (and including) this Agreement shall have been qualified by permit filed with and approved by the California Department of Corporations pursuant to Section 25113 of the California Corporations Code.

(h) Securities Purchase Agreement. The Company shall have executed

and delivered to the Investors the Securities Purchase Agreement.

SECTION 3.02 Conditions Precedent to All Loans. The obligation of

the Lender to make each Loan shall be subject to the satisfaction of each of the following conditions precedent:

(a) Notice. The Company shall have given its notice of borrowing as

provided in Section 2.02.

(b) Material Adverse Effect. On and as of the date of such Loan,

there shall have occurred no change or event since the date of this Agreement (in the case of the initial Loan) or the date of the most recent borrowing (in the case of any subsequent Loan), as the case may be, that has or could reasonably be expected to have a Material Adverse Effect.

(c) No Default. On the date of such Loan, both before and after

giving effect thereto and to the application of proceeds therefrom, no material Default shall have occurred and be continuing or shall result from the making of such Loan. The giving of any notice of borrowing and the acceptance by the Company of the proceeds of each Loan made on or following the Closing Date shall each be deemed a certification to the Lender that on and as of the date of such Loan no material Default shall have occurred or shall result from the making of the Loan.

(d) Budget. The Company shall have provided to the Lender

certification regarding the use of the proceeds received from any prior Loans as well as the proposed use of the proceeds of the currently requested Loan, as such expenditures relate to the Budget. The Company shall have demonstrated to the reasonable satisfaction of the Lender that the proposed use of the proceeds of the currently requested Loan is in accordance with the Budget.

(e) Additional Documents. The Lender shall have received, in form and

substance satisfactory to it, such additional approvals, opinions, documents and other information as the Lender may reasonably request.

(f) Limitation on Amount. Notwithstanding the satisfaction of the

other conditions set forth in this Section 3.02, the Lender shall not be obligated to make any Loan to the Company in an amount that exceeds the anticipated cash needs of the Company, as determined in the reasonable discretion of the Lender based on the Budget, for a period of two (2) weeks following the anticipated date of funding of such Loan.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

SECTION 4.01 Representations and Warranties of the Company. The

Company represents and warrants to the Lender that, except as set forth in the Disclosure Letter:

(a) Organization and Powers. The Company is a corporation duly

organized, validly existing and in good standing under the laws of the State of California, and has all requisite power and authority to execute, deliver and perform its obligations under the Loan Documents. The Company is qualified to do business and is in good standing in each jurisdiction in which the failure so to qualify or be in good standing would result in a Material Adverse Effect and has all requisite power and authority to own its assets and carry on its business.

(b) Authorization; No Conflict. The execution, delivery and

performance by the Company of the Loan Documents have been duly authorized by all necessary corporate action of the Company and do not and will not will not (i) result in a violation of the Company's Articles of Incorporation or Bylaws, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company or any of its properties is subject, or result in a violation of any material law, rule, regulation, order, judgment or decree (including U.S. federal and state securities laws and regulations) applicable to the Company or by which any property or asset of the Company is bound or affected, or (iii) except as contemplated by this Agreement, result in, or require, the creation or imposition of any Lien upon or with respect to any of the properties, assets or revenues of the Company. The Company is not in violation of its Articles of Incorporation, Bylaws or other organizational documents, or of any judgment, order, writ, decree, law, rule or regulation to which the Company or its properties is subject. The Company is not in default (and no event has occurred which, with notice or lapse of time or both, would put the Company in default) under, nor has there occurred any event giving others (with notice or lapse of time or both) any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company is a party or any of its properties is subject.

(c) Binding Obligation. The Loan Documents constitute, or when

delivered under this Agreement, will constitute, legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms.

(d) Consents. No authorization, consent, approval, license, exemption

of, or filing or registration with, any governmental agency or authority, or approval or consent of any other Person, is required for the due execution, delivery or performance by the Company of any of the Loan Documents, except for such approvals as have been obtained or as set forth in Schedule 2 hereto.

(e) Litigation. There is no action, suit, proceeding or investigation

pending, or to the Company's knowledge, currently threatened against the Company, except as which individually or in the aggregate would not have a Material Adverse Effect. The Company is not a party or subject to the provisions of any order, writ, injunction, judgment or decree of any court or government agency or instrumentality. Except as set forth on the Disclosure Letter, there is no material action, suit, proceeding or investigation by the Company currently pending or that the Company intends to initiate.

(f) Patents and Trademarks. The Company owns or licenses from another

person all inventions, patents, patent rights, computer software, trademarks, trademark rights, service marks, service mark rights, trade names, trade name rights and copyrights (collectively, the "Intellectual Property") necessary for its business without any conflict with or infringement of the valid rights of others and the lack of which could materially and adversely affect the operations or condition, financial or otherwise, of the Company, and the Company has not received any notice of infringement upon or conflict with the asserted rights of others. The Disclosure Letter contain a complete list of all such patents, patent rights, registered trademarks, registered service marks, registered copyrights, all agreements related to the foregoing, and all agreements pursuant to which the Company licenses Intellectual Property from or to a third party (excluding "shrink wrap" license agreements relating solely to off the shelf software which is not material to the Company's business). All Intellectual Property owned by the Company is owned free and clear of all liens, adverse claims, encumbrances, or restrictions, except for restrictions contained in the terms of the licenses listed in the Disclosure Letter. All Intellectual Property licensed by the Company is the subject of a license agreement which is legal, valid, binding and enforceable and in full force and effect. The consummation of the transactions contemplated hereby will not result in the termination or impairment of the Company's ownership of, or right to use, any Intellectual Property. The Company has a valuable body of trade secrets, including know-how, concepts, business plans, and other technical data (the "Proprietary Information") for the development, manufacture and sale of its products. The Company has the right to use the Proprietary Information free and clear of any rights, liens, encumbrances or claims of others. The Company is not aware, after reasonable investigation, that any of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of his or her best efforts to promote the interests of the Company or that would conflict with the Company's business.

(g) Title to Properties; Liens. The Company has good and marketable

title to, or valid and subsisting leasehold interests in, their properties and assets, including all property

forming a part of the Collateral, and there is no Lien upon or with respect to any of such properties or assets, including any of the Collateral, except for Permitted Liens.

(h) SEC Documents and Financial Statements. Since January 1, 1997,

the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the Securities and Exchange Commission ("SEC") pursuant to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (all of the foregoing and all exhibits included therein and financial statements and schedules thereto and documents incorporated by reference therein, with amendments read together with underlying documents, are referred to herein as the "SEC Documents"). As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. As of their respective dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with U.S. generally accepted accounting principles, consistently applied, during the periods involved and fairly and accurately present in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments). Except as set forth in the most recent audited balance sheet provided to the Lender, the Company has no liabilities, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business subsequent to the date of such financial statements and (ii) obligations under contracts and commitments incurred in the ordinary course of business and not required under generally accepted accounting principles to be reflected in such financial statements, which, individually or in the aggregate, are not material to the financial condition or operating results of the Company. Except as disclosed in such financial statements, the Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

(i) Bridge Loan Warrant. The Bridge Loan Warrant is duly authorized

and, upon issuance in accordance with the terms of this Agreement, will be validly issued, fully paid and nonassessable, and will be free of liens, claims, encumbrances and restrictions on transfer, other than restrictions on transfer under applicable state and federal securities laws. The shares of Class A Common Stock issuable upon exercise of the Bridge Loan Warrant are duly authorized and reserved for issuance, and, upon exercise of the Bridge Loan Warrant in accordance with the terms thereof, will be validly issued, fully paid and nonassessable, and will be free of liens, claims, encumbrances and restrictions on transfer, other than restrictions on transfer under applicable state and federal securities laws.

(j) Tax Returns. The Company has timely filed all tax returns

(federal, state and local) required to be filed by it and such tax returns are true and correct in all material respects. In addition, (i) the Company has not requested any extension of time within which to file any tax returns in respect of any fiscal year which have not since been filed and no request

for waivers of the time to assess any taxes are pending or outstanding, (ii) no claim for taxes has become a lien against the property of the Company or is being asserted against the Company other than liens for taxes not yet due and payable, (iii) no audit of any tax return of the Company is being conducted by a tax authority, (iv) no extension of the statute of limitations on the assessment of any taxes has been granted to, by or applied for by, the Company and is currently in effect, and (v) there is no agreement, contract or arrangement to which the Company is a party that may result in the payment of any amount that would not be deductible by reason of Sections 280G, 162 or 404 of the Internal Revenue Code.

(k) Permits. The Company has all material franchises, permits,

licenses and any similar authority necessary for the conduct of its business ("Permits"). The Company is not in default under any of such Permits.

(l) Environmental and Safety Laws. The Company is not in violation of

any applicable material statute, law or regulation relating to the environment or occupational health and safety, and no material expenditures are or will be required in order to comply with any such existing statute, law or regulation.

SECTION 4.02 Representations and Warranties of the Lender. The

Lender represents and warrants to the Company that:

(a) Investment Representations. The Lender: (i) will acquire the

Note, Bridge Loan Warrant and shares underlying the Bridge Loan Warrant for its own account for investment and not with a view to any resale or other distribution (other than to affiliates) of the Note in a transaction constituting a public offering or otherwise requiring registration under the U.S. Securities Act of 1933, as amended (the "Securities Act") or in a transaction that would result in noncompliance with applicable state securities laws; (ii) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and the risks of its acquisition of the Note, the Bridge Loan Warrant (and shares underlying the Bridge Loan Warrant) and credit extensions to the Company, (iii) is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act, and (iv) understands that the Note, the Bridge Loan Warrant and the shares underlying the Bridge Loan Warrant have not been registered under the Securities Act or any state securities laws.

(b) Organization and Powers. The Lender is a limited liability

company duly organized, validly existing and in good standing under the laws of the State of Delaware, and has all requisite power and authority to execute, deliver and perform its obligations under this Agreement.

(c) Authorization; Binding Obligation. The execution, delivery and

performance by the Lender of this Agreement has been duly authorized by all necessary organizational action of the Lender. This Agreement constitutes a legal, valid and binding obligation of the Lender, enforceable against the Lender in accordance with its terms.

(d) Financial Capacity. The Lender has access to adequate capital to

enable it to satisfy its obligations to make the Loan contemplated hereby.

ARTICLE V
COVENANTS

SECTION 5.01 Reporting Covenants. So long as any of the

Obligations shall remain unpaid or the Lender shall have any Commitment, the Company agrees that:

(a) Financial Statements and Other Reports. The Company will furnish

to the Lender: (i) on Monday of each week, a statement of cash flow for the prior week and projected cash flow for the following two weeks; (ii) as soon as available and in any event within 10 days after the end of a month, monthly agings (aged from invoice date) of accounts receivable, payables reports, and unaudited financial statements (including a balance sheet, income statement and statement of cash flows) with respect to that month prepared on a basis consistent with such statements prepared in prior months and otherwise in accordance with GAAP and certified by a Responsible Officer as being prepared in accordance with GAAP; and (iii) as soon as available and in any event within 45 days after the end of each fiscal quarter, its quarterly consolidated and, if requested by the Lender, consolidating financial statements (including a balance sheet, income statement and statement of cash flows), prepared in accordance with GAAP, together with a certificate of a Responsible Officer of the Company stating that such financial statements fairly present in all material respects the financial condition of the Company as at such date and the results of operations of the Company for the period ended on such date and have been prepared in accordance with GAAP, subject to changes resulting from normal, year-end audit adjustments and except for the absence of notes.

(b) Additional Information. The Company will furnish to the Lender:

(i) promptly after the Company has knowledge or becomes aware thereof, notice of the occurrence of any Default; (ii) prompt written notice of all actions, suits and proceedings before any governmental agency or authority or arbitrator pending, or to the best of the Company's knowledge, threatened against or affecting the Company; (iii) prompt written notice of any other condition or event which has resulted, or that could reasonably be expected to result, in a Material Adverse Effect; (iv) promptly after the same are released, copies of all press releases; (v) promptly after the giving, sending or filing thereof, copies of all reports and financial information, if any, which the Company sends to the holders of its capital stock or other securities, and the holders, if any, of any other Indebtedness, and of all reports or filings, if any, by the Company with the Securities and Exchange Commission or any national securities exchange; and (vi) such other information respecting the operations, properties, business or condition (financial or otherwise) of the Company (including with respect to the Collateral) as the Lender may from time to time reasonably request. Each notice pursuant to claims (i) through (iii) of this subsection (b) shall be accompanied by a written statement by a Responsible Officer of the Company setting forth details of the occurrence referred to therein.

(c) Certain Contracts. Upon the Lender's reasonable request, and at

least twice monthly after the date of this Agreement, the Company shall provide reports to the Lender concerning the status of all programs with major customers, in such detail as Lender may reasonably request.

SECTION 5.02 Affirmative Covenants. So long as any of the

Obligations shall remain unpaid or the Lender shall have any Commitment, the Company agrees that:

(a) Preservation of Existence, Etc. The Company will, maintain and

preserve its corporate existence, its rights to transact business and all other material rights, franchises and privileges necessary or desirable in the normal course of its business and operations and the ownership of its properties, except in connection with any transactions expressly permitted by Section 5.03.

(b) Payment of Taxes, Etc. The Company will pay and discharge all

taxes, fees, assessments and governmental charges or levies imposed upon it or upon its properties or assets prior to the date on which penalties attach thereto, and all lawful claims for labor, materials and supplies which, if unpaid, might become a Lien upon any properties or assets of the Company prior to the date on which penalties attach thereto except to the extent such taxes, fees, assessments or governmental charges or levies, or such claims, are being contested in good faith by appropriate proceedings and are adequately reserved against in accordance with GAAP.

(c) Maintenance of Insurance. The Company will carry and maintain in

full force and effect, at its own expense and with financially sound and reputable insurance companies, insurance in such amounts, with such deductibles and covering such risks as is consistent with the Company's past practices.

(d) Keeping of Records and Books of Account. The Company will keep

adequate records and books of account to permit preparation of financial statements in accordance with GAAP.

(e) Inspection Rights. The Company will at any reasonable time during

regular business hours and from time to time permit the Lender or any of its agents or representatives to visit and inspect any of the properties of the Company and to examine the records and books of account of the Company, and to discuss the business affairs, finances and accounts of the Company with any of the officers, employees or accountants of the Company, provided that the Company may designate one or more individuals who will be present during such discussions.

(f) Compliance with Laws. The Company will comply in all material

respects with the requirements of all applicable laws, rules, regulations and orders of any governmental agency or authority, including all Environmental Laws.

(g) Maintenance of Properties, Etc. The Company will maintain and

preserve all of its material properties necessary or useful in the proper conduct of its business in good working order and condition in accordance with the general practice of other corporations of similar character and size, ordinary wear and tear excepted.

(h) Licenses. The Company will obtain and maintain all licenses,

authorizations, consents, filings, exemptions, registrations and other governmental approvals of any governmental agency or authority necessary in connection with the execution, delivery and performance of the Loan Documents, the consummation of the transactions therein contemplated or the operation and conduct of its business and ownership of its properties, except where the failure to do so would not have a Material Adverse Effect.

(i) Use of Proceeds. The Company will use the proceeds of the Loans

solely in accordance with the Budget. No amount of the proceeds of the Loans may be used in connection with the Company's electric vehicle business.

(j) Further Assurances and Additional Acts. The Company will execute,

acknowledge, deliver, file, notarize and register at its own expense all such further agreements, instruments, certificates, documents and assurances and perform such acts as the Lender shall deem necessary or appropriate to effectuate the purposes of the Loan Documents, and promptly provide the Lender with evidence of the foregoing satisfactory in form and substance to the Lender.

SECTION 5.03 Negative Covenants. So long as any of the Obligations

shall remain unpaid or the Lender shall have any Commitment, the Company agrees that without the consent of Lender, which consent will not be unreasonably withheld:

(a) Liens; Negative Pledges. (i) The Company will not create, incur,

assume or suffer to exist any Lien upon or with respect to any of its properties, revenues or assets, whether now owned or hereafter acquired, other than Permitted Liens. (ii) The Company will not enter into any agreement (other than this Agreement or any other Loan Document) prohibiting the creation or assumption of any Lien upon any of its properties, revenues or assets, whether now owned or hereafter acquired.

(b) Change in Nature of Business. The Company will not engage in any

material line of business substantially different from those lines of business carried on by it at the date hereof.

(c) Restrictions on Fundamental Changes. The Company will not merge

with or consolidate into, or acquire all or substantially all of the assets of, any Person, or sell, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets.

(d) Sales of Assets. The Company will not sell, lease, transfer, or

otherwise dispose of, or part with control of (whether in one transaction or a series of transactions) any assets (including any shares of stock in any other Person), except: (i) sales or other dispositions of inventory, and the license, sublicense and grant of distribution and similar rights, in the ordinary course of business; (ii) sales or other dispositions of assets in the ordinary course of business which have become worn out or obsolete or which are promptly being replaced; (iii) sales or other dispositions of assets (other than accounts receivable) outside the ordinary course of business not exceeding in the aggregate \$25,000 in any fiscal year; and (iv) a sale of 15% of the outstanding capital stock of AEVT Incorporated to Lon Bell upon Dr. Bell's payment of \$88,000 to the Company.

(e) Distributions. The Company will not declare or pay any dividends

in respect of the Company's capital stock, or purchase, redeem, retire or otherwise acquire for value any of its capital stock now or hereafter outstanding, return any capital to its shareholders as such, except that the Company may: (A) declare and deliver dividends and distributions payable only in common stock of the Company; (B) purchase, redeem, retire, or otherwise acquire shares

of its capital stock with the proceeds received from a substantially concurrent issue of new shares of its capital stock; and (C) repurchase shares of Class B Common Stock as contemplated by the Securities Purchase Agreement.

(f) Loans and Investments. The Company will not purchase or otherwise

acquire the capital stock, assets (constituting a business unit), obligations or other securities of or any interest in any Person, or otherwise extend any credit to or make any additional investments in any Person, other than in connection with: (i) extensions of credit in the nature of accounts receivable or notes receivable arising from the sales of goods or services in the ordinary course of business; (ii) short term, investment grade money market instruments, in accordance with the Company's usual and customary treasury management policies.

(g) Transactions with Related Parties. The Company will not enter

into any transaction, including the purchase, sale or exchange of property or the rendering of any services, with any Affiliate, any officer or director thereof or any Person which beneficially owns or holds 5% or more of the equity securities, or 5% or more of the equity interest, thereof (a "Related Party"), or enter into, assume or suffer to exist, any employment or consulting contract with any Related Party, except (i) a transaction or contract which is in the ordinary course of the Company's business and which is upon fair and reasonable terms not less favorable to the Company than it would obtain in a comparable arm's length transaction with a Person not a Related Party (ii) the transactions and agreements contemplated by the Securities Purchase Agreement, and (iii) loans from Lon Bell to the Company at interest rates not exceeding 10% per annum and upon fair and reasonable terms not less favorable to the Company than it would obtain in a comparable arm's length transaction with a Person not a Related Party.

SECTION 5.04 Confidentiality. The Lender will hold in confidence

all, and not disclose to others for any reason whatsoever any, non-public information received by it from the Company in connection with this Agreement, except that the Lender may provide such confidential information in response to legal process or applicable governmental regulations provided that the Lender forthwith notifies the Company of its obligation to provide such confidential information and fully cooperates with the Company to protect the confidentiality of such information.

ARTICLE VI
EVENTS OF DEFAULT

SECTION 6.01 Events of Default. Any of the following events which

shall occur shall constitute an "Event of Default":

(a) Payments. The Company shall fail to pay when due any amount of

principal of, or interest on, any Loan or Note, or any fee or other amount payable under any of the Loan Documents.

(b) Representations and Warranties. Any representation or warranty by

the Company under or in connection with the Loan Documents shall prove to have been incorrect in any material respect when made or deemed made.

(c) Failure by Company to Perform Certain Covenants. The Company

shall fail to perform or observe any term, covenant or agreement contained in Section 5.03 or Subsections (a) or (i) of Section 5.02.

(d) Failure by Company to Perform Other Covenants. The Company shall

fail to perform or observe any term, covenant or agreement, other than those specified in Section 6.01(c), contained in any Loan Document on its part to be performed or observed, and any such failure shall continue for a period of 10 days from the occurrence thereof (unless the Lender determines that such failure is not capable of remedy).

(e) Insolvency. (i) The Company shall (A) make a general assignment

for the benefit of creditors or (B) be dissolved, liquidated, wound up or cease its corporate existence; or (ii) the Company (A) shall file a voluntary petition in bankruptcy or a petition or answer seeking reorganization, to effect a plan or other arrangement with creditors or any other relief under the Bankruptcy Reform Act of 1978 (the "Bankruptcy Code") or under any other state or federal law relating to bankruptcy or reorganization granting relief to debtors, whether now or hereafter in effect, or (B) shall file an answer admitting the jurisdiction of the court and the material allegations of any involuntary petition filed against the Company pursuant to the Bankruptcy Code or any such other state or federal law; or (iii) the Company shall be adjudicated a bankrupt, or shall make an assignment for the benefit of creditors, or shall apply for or consent to the appointment of any custodian, receiver or trustee for all or any substantial part of the Company's property, or shall take any action to authorize any of the actions or events set forth above in this subsection; or (iv) an involuntary petition seeking any of the relief specified in this subsection shall be filed against the Company and not dismissed within 60 days; or (v) any order for relief shall be entered against the Company, in any involuntary proceeding under the Bankruptcy Code or any such other state or federal law referred to in this subsection.

(f) Dissolution, Etc. The Company shall (i) liquidate, wind up or

dissolve (or suffer any liquidation, wind-up or dissolution), (ii) discontinue its operations, or (iii) take any corporate action to authorize any of the actions or events set forth above in this subsection (f).

(g) Judgments. (i) A final judgment or order for the payment of money

in excess of \$50,000 (or its equivalent in another currency) which is not fully covered by third-party insurance shall be rendered against the Company (or its equivalent in another currency); or (ii) any non-monetary judgment or order shall be rendered against the Company which has or would reasonably be expected to have a Material Adverse Effect; and in each case there shall be any period of 15 consecutive days during which such judgment continues unsatisfied or during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect.

(h) Material Adverse Effect. Any circumstance, condition, or event

shall have occurred which has or could reasonably be expected to have a Material Adverse Effect.

(i) Collateral Documents. Any "Event of Default" as defined in the

Collateral Documents shall have occurred; or any of the Collateral Documents after delivery thereof shall for any reason be revoked or invalidated, or otherwise cease to be in full force and effect, or the Company or any other Person shall contest in any manner the validity or

enforceability thereof, or the Company or any other Person shall deny that it has any further liability or obligation thereunder; or any of the Collateral Documents for any reason, except to the extent permitted by the terms thereof, shall cease to create a valid and perfected first priority Lien subject only to Permitted Liens in any of the Collateral purported to be covered thereby.

SECTION 6.02 Effect of Event of Default. If any Event of Default

shall occur, the Lender may, by notice to the Company, declare the Commitment to be terminated, whereupon the same shall forthwith terminate. If any Event of Default under Section 6.01(e) shall occur, the Lender may declare the entire unpaid principal amount of the Loans and the Note, all interest accrued and unpaid thereon and all other Obligations to be forthwith due and payable, whereupon the Loans and the Note, all such accrued interest and all such other Obligations shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Company. In addition, if any Event of Default under Section 6.01(a) or Section 6.01(e) shall occur, the Lender may exercise any or all of the Lender's rights and remedies under the Collateral Documents and proceed to enforce all other rights and remedies available to the Lender under the Loan Documents and applicable law.

ARTICLE VII
MISCELLANEOUS

SECTION 7.01 Amendments and Waivers. No amendment to any provision

of the Loan Documents shall be effective unless it is in writing and has been signed by the Lender and the Company, and no waiver of any provision of any Loan Document, or consent to any departure by the Company therefrom, shall be effective unless it is in writing and has been signed by the Lender. Any such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.02 Notices. All notices and other communications

provided for hereunder and under the other Loan Documents shall, unless otherwise stated herein, be in writing (including by facsimile transmission) and mailed, sent or delivered to the respective parties hereto at or to their respective addresses or facsimile numbers set forth below their names on the signature pages hereof, or at or to such other address or facsimile number as shall be designated by any party in a written notice to the other party hereto. All such notices and communications shall be effective (i) if delivered by hand, when delivered; (ii) if sent by mail, upon the earlier of the date of receipt or five Business Days after deposit in the mail, first class, postage prepaid; and (iii) if sent by facsimile transmission, when sent; provided, however, that

notices and communications to the Lender pursuant to Article II shall not be effective until received.

SECTION 7.03 No Waiver; Cumulative Remedies. No failure on the

part of the Lender to exercise, no delay in exercising, and no course of dealing with respect to, any right, remedy, power or privilege under any Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

The rights and remedies under the Loan Documents are cumulative and not exclusive of any rights, remedies, powers and privileges that may otherwise be available to the Lender.

SECTION 7.04 Costs and Expenses; Indemnity.

(a) Costs and Expenses. The Company agrees to pay on demand: (i) the

reasonable out-of-pocket costs and expenses of the Lender and any of its Affiliates, and the reasonable fees and disbursements of counsel to the Lender and its Affiliates, in connection with the negotiation, preparation, execution, delivery and administration of the Loan Documents and any amendments, modifications or waivers of the terms thereof (but not in excess of \$50,000) and (ii) all reasonable costs and expenses of the Lender and its Affiliates, and fees and disbursements of counsel, in connection with (A) any Default, (B) the enforcement or attempted enforcement of, and preservation of any rights or interests under, the Loan Documents, (C) any out-of-court workout or other refinancing or restructuring or any bankruptcy or insolvency case or proceeding, and (D) the preservation of and realization upon any of the Collateral.

(b) Indemnification. Whether or not the transactions contemplated

hereby shall be consummated, the Company hereby agrees to indemnify the Lender, any Affiliate thereof and their respective directors, officers, employees, agents, counsel and other advisors (each an "Indemnified Person") against, and hold each of them harmless from, any and all liabilities, obligations, losses, claims, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever, including the reasonable fees and disbursements of counsel to an Indemnified Person, which may be imposed on, incurred by, or asserted against any Indemnified Person, (i) in any way relating to or arising out of any of the Loan Documents, the use or intended use of the proceeds of the Loans or the transactions contemplated hereby or thereby, (ii) with respect to any investigation, litigation or other proceeding relating to any of the foregoing, irrespective of whether the Indemnified Person shall be designated a party thereto, or (iii) in any way relating to or arising out of the use, generation, manufacture, installation, treatment, storage or presence, or the spillage, leakage, leaching, migration, dumping, deposit, discharge, disposal or release, at any time, of any Hazardous Substances on, under, at or from any properties of the Company, including any personal injury or property damage suffered by any Person, and any investigation, site assessment, environmental audit, feasibility study, monitoring, clean-up, removal, containment, restoration, remedial response or remedial work undertaken by or on behalf of the any Indemnified Person at any time, voluntarily or involuntarily, with respect to the Premises (the "Indemnified Liabilities"); provided that the

Company shall not be liable to any Indemnified Person for any portion of such Indemnified Liabilities to the extent they are found by a final decision of a court of competent jurisdiction to have resulted from such Indemnified Person's gross negligence or willful misconduct. If and to the extent that the foregoing indemnification is for any reason held unenforceable, the Company agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law.

SECTION 7.05 Survival. All covenants, agreements, representations

and warranties made in any Loan Documents shall, except to the extent otherwise provided therein, survive the execution and delivery of this Agreement, the making of the Loans and the execution and delivery of the Note, and shall continue in full force and effect so long as the Lender has any Commitment, any Loans remain outstanding or any other Obligations remain unpaid or any

obligation to perform any other act hereunder or under any other Loan Document remains unsatisfied. Without limiting the generality of the foregoing, the obligations of the Company under Section 7.04, and all similar obligations under the other Loan Documents (including all obligations to pay costs and expenses and all indemnity obligations), shall survive the repayment of the Loans and the termination of the Commitments.

SECTION 7.06 Benefits of Agreement. The Loan Documents are entered

into for the sole protection and benefit of the parties hereto and their successors and assigns, and no other Person shall be a direct or indirect beneficiary of, or shall have any direct or indirect cause of action or claim in connection with, any Loan Document.

SECTION 7.07 Binding Effect; Assignment. This Agreement shall

become effective when it shall have been executed by the Company and the Lender and thereafter shall be binding upon, inure to the benefit of and be enforceable by the Company, the Lender and their respective successors and assigns. The Company shall not have the right to assign its rights and obligations hereunder or under the other Loan Documents or any interest herein or therein without the prior written consent of the Lender. The Lender reserves the right to sell, assign, transfer or grant participations in all or any portion of the Lender's rights and obligations hereunder and under the other Loan Documents (i) to one or more Affiliates of the Lender and/or (ii) with the prior consent of the Company (which consent shall not be unreasonably withheld) to any other Person. In the event of any such assignment, the assignee shall be deemed a "Lender" for all purposes of the Loan Documents with respect to the rights and obligations assigned to it, and the obligations of the Lender so assigned shall thereupon terminate. The Company shall, from time to time upon request of the Lender, enter into such amendments to the Loan Documents and execute and deliver such other documents as shall be necessary to effect any such grant or assignment. The Company agrees that in connection with any such grant or assignment, the Lender may deliver to the prospective participant or assignee financial statements and other relevant information relating to the Company (subject to such Person entering into a confidentiality agreement with the Company on terms reasonably satisfactory to the Company).

SECTION 7.08 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY,

AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF CALIFORNIA.

SECTION 7.09 Waiver of Jury Trial. THE COMPANY AND THE LENDER EACH

WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR PARTIES, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. THE COMPANY AND THE LENDER EACH AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM

OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

SECTION 7.10 Entire Agreement. The Loan Documents reflect the

entire agreement between the Company and the Lender with respect to the matters set forth herein and therein and supersede any prior agreements, commitments, drafts, communication, discussions and understandings, oral or written, with respect thereto.

SECTION 7.11 Severability. Whenever possible, each provision of

the Loan Documents shall be interpreted in such manner as to be effective and valid under all applicable laws and regulations. If, however, any provision of any of the Loan Documents shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of such Loan Document, or the validity or effectiveness of such provision in any other jurisdiction.

SECTION 7.12 Counterparts. This Agreement may be executed in any

number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Credit Agreement, as of the date first above written.

THE COMPANY

AMERIGON INCORPORATED, a
California corporation

By /s/ Lon E. Bell
Title: Chief Executive Officer

Address:

Attn.: -----

Fax No. -----

THE LENDER

BIG STAR INVESTMENTS LLC

By /s/ John Clark
Title:

Address:

Attn.: -----

Fax No. -----

CERTIFICATE OF DETERMINATION
OF RIGHTS, PREFERENCES AND PRIVILEGES
OF
THE SERIES A PREFERRED STOCK
OF
AMERIGON INCORPORATED

Pursuant to the Provisions of Section 401 of the
General Corporation Law of the State of California

The undersigned _____ and _____, the President and Secretary, respectively, of Amerigon Incorporated, a California corporation (the "Corporation"), do hereby certify as follows:

A. That the following resolution designates nine thousand shares of Series A Preferred Stock, and that as of the date hereof, no shares of Series A Preferred Stock have been issued or are outstanding.

B. That the Board of Directors of the Corporation, pursuant to the authority so vested in it by the Articles of Incorporation of the Corporation and in accordance with the provisions of Section 401 of the General Corporation Law of the State of California, adopted the following resolution creating a series of Preferred Stock designated as "Series A Preferred Stock":

WHEREAS, the Articles of Incorporation of this Corporation authorize the issuance of one or more series of preferred stock ("Preferred Stock") of the Corporation and authorize the Board of Directors to determine the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and to fix the number of shares of such series;

NOW, THEREFORE, BE IT RESOLVED, that pursuant to the authority expressly granted to and vested in the board of directors of the corporation pursuant to the Articles of Incorporation, there is hereby created one series of preferred stock, without par value, of the Corporation which shall be designated "Series A Preferred Stock." The

number of shares of Series A Preferred Stock authorized for issuance is nine thousand. In addition to those set forth in the Articles of Incorporation of the Corporation, the Series A Preferred Stock shall have the powers and preferences, the relative, participating, optional or other rights, and the qualifications, limitations or restrictions set forth below:

1. Dividend Provisions. Subject to the rights of series of Preferred

Stock which may from time to time come into existence, the holders of shares of Series A Preferred Stock shall be entitled to receive dividends, out of any assets legally available therefor, in an amount equal to the dividends that would be paid on the outstanding Class A Common Stock of the corporation into which the Series A Preferred Stock is convertible on an as converted basis, payable when, as and if declared by the Board of Directors.

2. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of this corporation, either voluntary or involuntary, subject to the rights of series of Preferred Stock that may from time to time come into existence, the holders of Series A Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of this corporation to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the sum of (i) \$1,000 for each outstanding share of Series A Preferred Stock (the "Original Series A Issue Price"), (ii) an amount equal to 7% of the Original Series A Issue Price annually, but only until the fourth anniversary of the issuance of the Series A Preferred Stock, and (iii) an amount equal to any declared but unpaid dividends on such share (the amounts in (ii) and (iii) being referred to herein as the "Premium"). If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then, subject to the rights of series of Preferred Stock that may from time to time come into existence, the entire assets and funds of the corporation legally available for distribution shall be distributed ratably among the holders of the Series A Preferred Stock in proportion to the amount of such stock owned by each such holder.

(b) Upon the completion of the distribution required by subparagraph (a) of this Section 2 and any other distribution that may be required with respect to series of Preferred Stock that may from time to time come into existence, if assets remain in this corporation, the holders of the Common Stock of this corporation, shall receive all of the remaining assets of the corporation.

(c)(i) For purposes of this Section 2, a liquidation, dissolution or winding up of this corporation shall be deemed to be occasioned by, or to include, (A) the acquisition of the corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation but, excluding any merger effected exclusively for the purpose of changing the domicile of the corporation); or (B) a sale of all or substantially all of the assets of the corporation; unless the corporation's shareholders of record as constituted

immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the corporation's acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity.

(ii) In any of such events, if the consideration received by the corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(A) Securities not subject to investment letter or other similar restrictions on free marketability:

(1) If traded on a securities exchange or on the NASDAQ National Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the thirty-day period ending three (3) days prior to the closing;

(2) If actively traded over-the-counter or on NASDAQ (other than on the National Market), the value shall be deemed to be the average of the closing bid or sale prices (whichever is applicable) over the thirty-day period ending three (3) days prior to the closing; and

(3) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors of the corporation.

(B) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a shareholder's status as an affiliate or former affiliate) shall be to make an appropriate discount from the market value determined as above in (A) (1), (2) or (3) to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors of the corporation.

(iii) In the event the requirements of this subsection 2(c) are not complied with, this corporation shall forthwith either:

(A) cause such closing to be postponed until such time as the requirements of this Section 2 have been complied with; or

(B) cancel such transaction, in which event the rights, preferences and privileges of the holders of the Series A Preferred Stock shall revert to and be the same as such rights, preferences and privileges existing immediately prior to the date of the first notice referred to in subsection 2(c)(iv) hereof.

(iv) The corporation shall give each holder of record of Series A Preferred Stock written notice of such impending transaction not later than twenty (20) days prior to (A) the date of the shareholders' meeting called to approve such transaction, (B) the effective date of a written consent of the shareholders to approve the transaction, or (C) the closing of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction. The first of such notices shall describe the material terms and conditions of the impending transaction and the provisions of this Section 2, and the corporation shall thereafter give such holders prompt notice of any material changes relating to the transaction. The transaction shall in no event take place sooner than twenty (20) days after the corporation has given the first notice provided for herein or sooner than ten (10) days after the corporation has given notice of any material changes provided for herein; provided, however, that such periods may be shortened upon the written consent of the holders of Preferred Stock that are entitled to such notice rights or similar notice rights and that represent at least a majority of the voting power of all then outstanding shares of such Preferred Stock.

3. Redemption. -----

(a) Subject to the rights of series of Preferred Stock which may from time to time come into existence, on or at any time after January 1, 2003, this corporation may at any time it may lawfully do so, at the option of the Board of Directors, redeem in whole or in part the Series A Preferred Stock (such date of redemption is referred to herein as the "Series A Redemption Date") by paying in cash therefor a sum equal to the Original Series A Issue Price

plus the Premium, as adjusted for any stock dividends, combinations or splits with respect to such shares (the "Series A Redemption Price"); provided, however, that this corporation may only redeem shares of Series A Preferred Stock hereunder if the average of the closing prices of the Class A Common Stock as reported by Nasdaq (or such other exchange or market on which the shares are then traded) for the sixty trading days preceeding the date the notice of redemption is given in accordance with subsection (b) is at least 4 times greater than the then applicable Conversion Price (as defined in Section 4(a) below) . Any redemption effected pursuant to this subsection (3)(a) shall be made on a pro rata basis among the holders of the Series A Preferred Stock in proportion to the number of shares of Series A Preferred Stock then held by them.

(b) As used herein and in subsection (3)(c) and (d) below, the term "Redemption Date" shall refer to each "Series A Redemption Date" and the term "Redemption Price" shall refer to each "Series A Redemption Price." Subject to the rights of series of Preferred Stock which may from time to time come into existence, at least fifteen (15) but no more than thirty (30) days prior to each Redemption Date, written notice shall be mailed, first class postage prepaid, to each holder of record (at the close of business on the business day next preceding the day on which notice is given) of the Series A Preferred Stock to be redeemed, at the address last shown on the records of this corporation for such holder, notifying such holder of the redemption to be effected, specifying the number of shares to be redeemed from such holder, the Redemption Date, the Redemption Price, the place at which payment may be obtained and calling upon such holder to surrender to this corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares to be redeemed (the "Redemption Notice"). Except as provided in subsection (3)(c) on or after the Redemption Date, each holder of Series A Preferred Stock to be redeemed shall surrender to this corporation the certificate or certificates representing such shares, in the manner and at the place designated in the Redemption Notice, and thereupon the Redemption Price of such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof and each surrendered certificate shall be cancelled. In the event less than all the shares represented by any such certificate are redeemed, a new certificate shall be issued representing the unredeemed shares.

(c) From and after the Redemption Date, unless there shall have been a default in payment of the Redemption Price, all rights of the holders of shares of Series A Preferred Stock designated for redemption in the Redemption Notice as holders of Series A Preferred Stock (except the right to receive the Redemption Price without interest upon surrender of their certificate or certificates) shall cease with respect to such shares, and such shares shall not thereafter be transferred on the books of this corporation or be deemed to be outstanding for any purpose whatsoever. Subject to the rights of series of Preferred Stock which may from time to time come into existence, if the funds of the corporation legally available for redemption of shares of Series A Preferred Stock on any Redemption Date are insufficient to redeem the total number of shares of Series A Preferred Stock to be redeemed on such date, those funds which are legally available will be used to redeem the maximum possible number of such shares ratably among the holders of such shares to be redeemed based upon their holdings of Series A Preferred Stock. The shares of Series A Preferred Stock not redeemed shall remain outstanding and entitled to all the rights and preferences provided herein. Subject to the rights of series of Preferred Stock which may from time to time come into existence, at any time thereafter when additional funds of the corporation are legally available for the redemption of shares of Series A

Preferred Stock, such funds will immediately be used to redeem the balance of the shares which the corporation has become obliged to redeem on any Redemption Date but which it has not redeemed.

(d) On or prior to each Redemption Date, this corporation shall deposit the Redemption Price of all shares of Series A Preferred Stock designated for redemption in the Redemption Notice, and not yet redeemed or converted, with a bank or trust corporation having aggregate capital and surplus in excess of \$100,000,000 as a trust fund for the benefit of the respective holders of the shares designated for redemption and not yet redeemed, with irrevocable instructions and authority to the bank or trust corporation to publish the notice of redemption thereof and pay the Redemption Price for such shares to their respective holders on or after the Redemption Date, upon receipt of notification from the corporation that such holder has surrendered his, her or its share certificate to the corporation pursuant to subsection (3)(b) above. As of the date of such deposit (even if prior to the Redemption Date), the deposit shall constitute full payment of the shares to their holders, and from and after the date of the deposit the shares so called for redemption shall be redeemed and shall be deemed to be no longer outstanding, and the holders thereof shall cease to be shareholders with respect to such shares and shall have no rights with respect thereto except the rights to receive from the bank or trust corporation payment of the Redemption Price of the shares, without interest, upon surrender of their certificates therefor, and the right to convert such shares as provided in Section 4 hereof. Such instructions shall also provide that any moneys deposited by the corporation pursuant to this subsection (3)(d) for the redemption of shares thereafter converted into shares of the corporation's Common Stock pursuant to Section 4 hereof prior to the Redemption Date shall be returned to the Corporation forthwith upon such conversion. The balance of any moneys deposited by this corporation pursuant to this subsection (3)(d) remaining unclaimed at the expiration of two (2) years following the Redemption Date shall thereafter be returned to this corporation upon its request expressed in a resolution of its Board of Directors.

4. Conversion. The holders of the Series A Preferred Stock shall

have conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert. Each share of Series A Preferred Stock shall be

convertible, at the option of the holder thereof, at any time after the date of issuance of such share and on or prior to the fifth day prior to the Redemption Date, if any, as may have been fixed in any Redemption Notice with respect to the Series A Preferred Stock, at the office of this corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Class A Common Stock as is determined by dividing the Original Series A Issue Price by the conversion price ("Conversion Price") applicable to such share, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion. The initial Conversion Price per share for shares of Series A Preferred Stock shall be \$1.675; provided, however, that the Conversion Price for the Series A Preferred Stock shall be subject to adjustment as set forth in subsection 4(d).

(b) Automatic Conversion. Each share of Series A Preferred Stock

shall automatically be converted into shares of Class A Common Stock at the Conversion Price at the time in effect for such Series A Preferred Stock immediately upon the date specified by written

consent or agreement of the holders of a majority of the then outstanding shares of Series A Preferred Stock.

(c) Mechanics of Conversion. Before any holder of Series A Preferred

Stock shall be entitled to convert the same into shares of Class A Common Stock, he shall surrender the certificate or certificates therefor, duly endorsed, at the office of this corporation or of any transfer agent for the Series A Preferred Stock, and shall give written notice to this corporation at its principal corporate office, of the election to convert the same and shall state therein the name or names in which the certificate or certificates for shares of Class A Common Stock are to be issued. This corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Series A Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Class A Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted, and the person or persons entitled to receive the shares of Class A Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Class A Common Stock as of such date. If the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, the conversion may, at the option of any holder tendering Series A Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Class A Common Stock upon conversion of the Series A Preferred Stock shall not be deemed to have converted such Series A Preferred Stock until immediately prior to the closing of such sale of securities.

(d) Conversion Price Adjustments of Preferred Stock for Certain

Dilutive Issuances, Splits and Combinations. The Conversion Price of the Series

A Preferred Stock shall be subject to adjustment from time to time as follows:

(i) In the event the corporation should at any time or from time to time after the date upon which any shares of Series A Preferred Stock were first issued (the "Purchase Date" with respect to such series) fix a record date for the effectuation of a split or subdivision of the outstanding shares of Class A Common Stock or the determination of holders of Class A Common Stock entitled to receive a dividend or other distribution payable in additional shares of Class A Common Stock without payment of any consideration by such holder for the additional shares of Class A Common Stock, then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price of the Series A Preferred Stock shall be appropriately decreased so that the number of shares of Class A Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the aggregate of shares of Class A Common Stock outstanding. In the event the corporation shall declare or pay, without consideration, any dividend on the Class A Common Stock payable in any right to acquire Class A Common Stock for no consideration, then the corporation shall be deemed to have made a dividend payable in Class A Common Stock in an amount of shares equal to the maximum number of shares issuable upon exercise of such rights to acquire Class A Common Stock.

(ii) If the number of shares of Class A Common Stock outstanding at any time after the Purchase Date is decreased by a combination of the outstanding shares of

Common Stock, then, following the record date of such combination, the Conversion Price for the Series A Preferred Stock shall be appropriately increased so that the number of shares of Class A Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in outstanding shares.

(iii) All adjustments to the Conversion Price will be calculated to the nearest cent of a dollar. No adjustment in the Conversion Price will be required unless such adjustment would require an increase or decrease of at least one cent per dollar; provided, however, that any

adjustments which by reason of this Section 4(d)(iii) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All adjustments to the Conversion Price shall be made successively.

(e) Other Distributions. In the event this corporation shall

declare a distribution payable in securities of other persons, evidences of indebtedness issued by this corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in subsection 4(d), then, in each such case for the purpose of this subsection 4(e), the holders of the Series A Preferred Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Class A Common Stock of the corporation into which their shares of Series A Preferred Stock are convertible as of the record date fixed for the determination of the holders of Class A Common Stock of the corporation entitled to receive such distribution.

(f) Recapitalizations and Reorganizations. If the Class A Common

Stock issuable upon conversion of the Series A Preferred Stock shall be changed into or exchanged for a different class or classes of capital stock, or other securities or property whether by reorganization, recapitalization or otherwise (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in this Section 4 or Section 2) provision shall be made so that the holders of the Series A Preferred Stock shall thereafter be entitled to receive upon conversion of the Series A Preferred Stock the number of shares of stock or other securities or property, to which a holder of Class A Common Stock deliverable upon conversion would have been entitled on such recapitalization or reorganization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of the Series A Preferred Stock after the recapitalization or reorganization to the end that the provisions of this Section 4 (including adjustment of the Conversion Price then in effect and the number of shares purchasable upon conversion of the Series A Preferred Stock) shall be applicable after that event as nearly equivalent as may be practicable.

(g) No Impairment. This corporation will not, by amendment of its

Articles of Incorporation or through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by this corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section 4 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series A Preferred Stock against impairment.

(h) No Fractional Shares and Certificate as to Adjustments.

(i) No fractional shares shall be issued upon the conversion of any share or shares of the Series A Preferred Stock, and the number of shares of Class A Common Stock to be issued shall be rounded to the nearest whole share. Whether or not fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock the holder is at the time converting into Class A Common Stock and the number of shares of Class A Common Stock issuable upon such aggregate conversion.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of Series A Preferred Stock pursuant to this Section 4, this corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. This corporation shall, upon the written request at any time of any holder of Series A Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price for such series of Preferred Stock at the time in effect, and (C) the number of shares of Class A Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of a share of Series A Preferred Stock.

(i) Notices of Record Date. In the event of any taking by this

corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right (except the right to vote), this corporation shall mail to each holder of Series A Preferred Stock, at least 20 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(j) Reservation of Stock Issuable Upon Conversion. This

corporation shall at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Preferred Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preferred Stock; and if at any time the number of authorized but unissued shares of Class A Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred Stock, in addition to such other remedies as shall be available to the holder of such Series A Preferred Stock, this corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Class A Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite shareholder approval of any necessary amendment to these articles.

(k) Notices. Any notice required by the provisions of this

Section 4 to be given to the holders of shares of Series A Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of this corporation.

5. Voting Rights. The holder of each share of Series A Preferred

Stock shall have the right to one vote for each share of Class A Common Stock into which such Series A Preferred Stock could then be converted, and with respect to such vote, such holder shall have full voting rights and powers equal to the voting rights and powers of the holders of Class A Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of this corporation, and, except with respect to the election of directors as provided in Section 6 hereof, shall be entitled to vote, together with holders of Class A Common Stock, with respect to any question upon which holders of Class A Common Stock have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Series A Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

6. Board of Directors. So long as at least 40% of the authorized

shares of Series A Preferred Stock are outstanding, the holders of Series A Preferred Stock, voting as a class, shall be entitled to elect five directors and the holders of Common Stock, voting as a class, shall be entitled to elect two directors. So long as at least 40% of the authorized shares of Series A Preferred Stock are outstanding, this corporation shall not without first obtaining the approval (by vote or written consent, as provided by law) of the holders of at least a majority of the then outstanding shares of Series A Preferred Stock, change the authorized number of directors of the corporation.

7. Status of Converted or Redeemed Stock. In the event any shares of

Series A Preferred Stock shall be redeemed or converted pursuant to Section 3 or Section 4 hereof, the shares so converted or redeemed shall be cancelled and shall not be issuable by the corporation. The Articles of Incorporation of this corporation shall be appropriately amended to effect the corresponding reduction in the corporation's authorized capital stock.

8. Repurchase of Shares. In connection with repurchases by this

corporation of its Common Stock pursuant to its agreements with certain of the holders thereof, Sections 502 and 503 of the California General Corporation Law shall not apply in whole or in part with respect to such repurchases.

IN WITNESS WHEREOF, this Certificate is signed by _____,
President, and _____, Secretary, as of this ____ day of _____,
1999.

_____, President

_____, Secretary

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this Certificate are true and correct of our own knowledge.

, President

, Secretary

INVESTORS' RIGHTS AGREEMENT

-----, 1999

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INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT is made as of the _____ day of _____, 1999, by and between Amerigon Incorporated, a California corporation (the "Company"), and the investors listed on the signature page hereof, each of which is herein referred to as an "Investor."

RECITALS

WHEREAS, the Company and the Investors are parties to the Securities Purchase Agreement dated March __, 1999 (the "Securities Purchase Agreement") pursuant to which the Investors are acquiring Series A Preferred Stock of the Company and warrants to purchase Class A Common Stock of the Company (the "Warrants");

WHEREAS, in order to induce the Company to enter into the Securities Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Securities Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors and certain other matters as set forth herein;

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Registration Rights. The Company covenants and agrees as follows:

1.1 Definitions. For purposes of this Section 1:

(a) The term "Act" means the Securities Act of 1933, as amended.

(b) The term "Common Stock" means the Class A Common Stock, no par value, of the Company.

(c) The term "Form S-3" means such form under the Act as in effect on the date hereof or any registration form under the Act subsequently adopted by the SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(d) The term "Holder" means any person owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with Section 1.13 hereof.

(e) The term "1934 Act" means the Securities Exchange Act of 1934, as amended.

(f) The term "register", "registered," and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Act, and the declaration or ordering of effectiveness of such registration statement or document.

(g) The term "Registrable Securities" means (i) the Common Stock issuable or issued upon conversion of the Series A Preferred Stock, (ii) the Common Stock issued or issuable upon the exercise of the Warrants, (iii) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of the shares referenced in (i) and (ii) above, excluding in all cases, however, any Registrable Securities sold by a person in a transaction in which his rights under this Section 1 are not assigned.

(h) The number of shares of "Registrable Securities then outstanding" shall be determined by the number of shares of Common Stock outstanding which are, and the number of shares of Common Stock issuable pursuant to then exercisable or convertible securities which are, Registrable Securities.

(i) The term "SEC" means the Securities and Exchange Commission.

1.2 Request for Registration. -----

(a) If the Company shall receive at any time after the date of this Agreement, a written request from the Holders of a majority of the Registrable Securities then outstanding that the Company file a registration statement under the Act covering the registration of at least ten percent (10%) of the Registrable Securities then outstanding, then the Company shall:

(i) within ten (10) days of the receipt thereof, give written notice of such request to all Holders; and

(ii) as soon as practicable, and in any event within 45 days of the receipt of such request, file a registration statement under the Act covering all Registrable Securities which the Holders request to be registered, subject to the limitations of subsection 1.2(b), within twenty (20) days of the mailing of such notice by the Company in accordance with Section 3.5.

(b) If the Holders initiating the registration request hereunder ("Initiating Holders") intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to subsection 1.2(a) and the Company shall include such information in the written notice referred to in subsection 1.2(a). The underwriter will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include his Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in subsection 1.4(e)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Section 1.2, if the underwriter advises the Initiating Holders in writing

that marketing factors require a limitation of the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities which would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all Holders thereof, including the Initiating Holders, in proportion (as nearly as practicable) to the amount of Registrable Securities of the Company owned by each Holder; provided, however, that the number of shares of Registrable Securities to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(c) Notwithstanding the foregoing, if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 1.2, a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company and its shareholders for such registration statement to be filed and it is therefore essential to defer the filing of such registration statement, the Company shall have the right to defer taking action with respect to such filing for a period of not more than 90 days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve-month period.

(d) The Company shall be obligated to effect only two such registrations pursuant to this Section 1.2. Registrations effected on Form S-3 pursuant to Section 1.12, however, shall not be counted as demands pursuant to this Section 2.

1.3 Company Registration. At any time within five years after the

date of this Agreement, if (but without any obligation to do so) the Company proposes to register (including for this purpose a registration effected by the Company for shareholders other than the Holders) any of its stock or other securities under the Act in connection with the public offering of such securities solely for cash (other than a registration relating solely to the sale of securities to participants in a Company stock plan, a registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities or a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities which are also being registered), the Company shall, at such time, promptly give each Holder written notice of such registration. Upon the written request of each Holder given within twenty (20) days after mailing of such notice by the Company in accordance with Section 3.5, the Company shall, subject to the provisions of Section 1.8, cause to be registered under the Act all of the Registrable Securities that each such Holder has requested to be registered.

1.4 Obligations of the Company. Whenever required under this Section

1 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or until the distribution contemplated in the Registration Statement

has been completed; provided, however, that (i) such 120-day period shall be extended for a period of time equal to the period the Holder refrains from selling any securities included in such registration at the request of an underwriter of Common Stock (or other securities) of the Company; and (ii) in the case of any registration of Registrable Securities on Form S-3 which are intended to be offered on a continuous or delayed basis, such 120-day period shall be extended, if necessary, to keep the registration statement effective until all such Registrable Securities are sold, provided that Rule 415, or any successor rule under the Act, permits an offering on a continuous or delayed basis, and provided further that applicable rules under the Act governing the obligation to file a post-effective amendment permit, in lieu of filing a post-effective amendment which (I) includes any prospectus required by Section 10(a)(3) of the Act or (II) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the incorporation by reference of information required to be included in (I) and (II) above to be contained in periodic reports filed pursuant to Section 13 or 15(d) of the 1934 Act in the registration statement.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the Holders such numbers of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders; provided that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Act.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed.

(h) Use its best efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 1, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 1, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the date that the registration statement with respect to such securities becomes effective, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities and (ii) a letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters, if any, and to the Holders requesting registration of Registrable Securities.

1.5 Furnish Information. It shall be a condition precedent to the ----- obligations of the Company to take any action pursuant to this Section 1 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder's Registrable Securities.

1.6 Expenses of Demand Registration. All expenses other than ----- underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to Section 1.2, including (without limitation) all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company, and the reasonable fees and disbursements (not to exceed \$15,000) of one counsel for the selling Holders (as selected by the Holders of a majority of the Registrable Securities to be registered) shall be borne by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 1.2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one demand registration pursuant to Section 1.2; provided further, however, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to Section 1.2.

1.7 Expenses of Company Registration. The Company shall bear and pay ----- all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to the registrations pursuant to Section 1.3 for each Holder (which right may be assigned as provided in Section 1.13), including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto and the fees and disbursements (not to exceed \$15,000) of one counsel for the selling Holders (as selected by the Holders of a majority of the Registrable Securities to be registered), but excluding underwriting discounts and commissions relating to Registrable Securities.

1.8 Underwriting Requirements. In connection with any offering

involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 1.3 to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by shareholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling shareholders according to the total amount of securities entitled to be included therein owned by each selling shareholder or in such other proportions as shall mutually be agreed to by such selling shareholders) but in no event shall (i) the amount of securities of the selling Holders included in the offering be reduced below twenty percent (20%) of the total amount of securities included in such offering, or (ii) notwithstanding (i) above, any shares being sold by a shareholder exercising a demand registration right similar to that granted in Section 1.2 be excluded from such offering. For purposes of the preceding parenthetical concerning apportionment, for any selling shareholder which is a holder of Registrable Securities and which is a partnership or corporation, the partners, retired partners and shareholders of such holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling shareholder", and any pro-rata reduction with respect to such "selling shareholder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling shareholder", as defined in this sentence.

1.9 Delay of Registration. No Holder shall have any right to

obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.

1.10 Indemnification. In the event any Registrable Securities

are included in a registration statement under this Section 1:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Act or the 1934 Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Act, the 1934 Act or other federal or state securities law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Act, the 1934 Act,

any rule or regulation promulgated under the Act or the 1934 Act, or any other federal or state securities law; and the Company will pay to each such Holder, underwriter or controlling person any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 1.10(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person.

(b) To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Act, the 1934 Act or other federal or state securities law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will pay any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this subsection 1.10(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 1.10(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, that, in no event shall any indemnity under this subsection 1.10(b) exceed the gross proceeds from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 1.10 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 1.10, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 1.10, but the omission so to deliver written notice to the indemnifying party

will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 1.10.

(d) If the indemnification provided for in this Section 1.10 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage, or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 1.10 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 1, and otherwise.

1.11 Reports Under Securities Exchange Act of 1934. With a view to

making available to the Holders the benefits of Rule 144 promulgated under the Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Act and the 1934 Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the first registration statement filed by the Company), the Act and the 1934 Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

1.12 Form S-3 Registration. In case the Company shall receive from any

Holder or Holders a written request or requests that the Company effect a registration on Form S-3 for the resale of shares from time to time in broker transactions (and not in connection with an underwritten offering), and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company will:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) as soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within 15 days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this section 1.12: (1) if Form S-3 is not available for such offering by the Holders; (2) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than \$300,000; (3) if the Company shall furnish to the Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company and its shareholders for such Form S-3 Registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than 90 days after receipt of the request of the Holder or Holders under this Section 1.12; provided, however, that the Company shall not utilize this right more than once in any twelve month period; (4) if the Company has, within the twelve (12) month period preceding the date of such request, already effected two registrations on Form S-3 for the Holders pursuant to this Section 1.12; (5) the Company has previously effected four registrations on Form S-3 for the Holders pursuant to this Section 1.12, or (6) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders. All expenses incurred in connection with a registration requested pursuant to Section 1.12, including (without limitation) all registration, filing, qualification, printer's and accounting fees, and the fees and disbursements (not to exceed \$15,000) of one counsel for the selling Holder (as selected by the Holders of a majority of the Registrable Securities to be registered) and counsel for the Company, shall be borne by the Company. Registrations effected pursuant to this Section 1.12 shall not be counted as demands for registration or registrations effected pursuant to Sections 1.2 or 1.3, respectively.

1.13 Assignment of Registration Rights. The rights to cause the

Company to register Registrable Securities pursuant to this Section 1 may be assigned (but only with all

related obligations) by a Holder to a transferee or assignee of such securities, provided: (a) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; (b) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement, including without limitation the provisions of Section 1.15 below; and (c) such assignment shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Act.

1.14 Limitations on Subsequent Registration Rights. From and

after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the outstanding Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company which would allow such holder or prospective holder (a) to include such securities in any registration filed under Section 1.2 hereof, unless under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of his securities will not reduce the amount of the Registrable Securities of the Holders which is included or (b) to make a demand registration which could result in such registration statement being declared effective prior to the earlier of either of the dates set forth in subsection 1.2(a) or within one hundred twenty (120) days of the effective date of any registration effected pursuant to Section 1.2.

1.15 "Market Stand-Off" Agreement. Each Holder hereby agrees

that, during the period of duration specified by the Company and an underwriter of common stock or other securities of the Company, following the effective date of a registration statement of the Company filed under the Act in connection with an underwritten offering, it shall not, to the extent requested by the Company and such underwriter, directly or indirectly sell, offer to sell, contract to sell (including, without limitation, any short sale), grant any option to purchase or otherwise transfer or dispose of (other than to donees who agree to be similarly bound) any securities of the Company held by it at any time during such period except common stock included in such registration; provided, however, that:

(a) all officers and directors of the Company and all other persons with registration rights (whether or not pursuant to this Agreement) enter into similar agreements; and

(b) such market stand-off time period shall not exceed 90 days.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Investor (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

Notwithstanding the foregoing, the obligations described in this Section 1.15 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms which may be promulgated in the future, or a registration relating solely to a

Commission Rule 145 transaction on Form S-14 or Form S-15 or similar forms which may be promulgated in the future.

1.16 Termination of Registration Rights. The right of any Holder to request registration or inclusion in any registration pursuant to this Agreement shall terminate if all shares of Registrable Securities held or entitled to be held upon conversion by such Holder may immediately be sold under Rule 144 during any 90-day period.

2. Right of First Offer.

Subject to the terms and conditions specified in this Section 2, the Company hereby grants to each Major Investor (as hereinafter defined) a right of first offer with respect to future sales by the Company of its Shares (as hereinafter defined). For purposes of this Section 2, a Major Investor shall mean (i) any Investor who holds at least 30% of the original investment such Investor makes in the Company pursuant to the Securities Purchase Agreement and (ii) any person who acquires at least 15% of the Series A Preferred Stock (or the common stock issued upon conversion thereof) issued pursuant to the Securities Purchase Agreement. For purposes of this Section 2, Investor includes any general partners and affiliates of an Investor. An Investor shall be entitled to apportion the right of first offer hereby granted it among itself and its partners and affiliates in such proportions as it deems appropriate.

Each time the Company proposes to offer any shares of, or securities convertible into or exercisable for any shares of, any class of its capital stock ("Shares"), the Company shall first make an offering of such Shares to each Major Investor in accordance with the following provisions:

(a) The Company shall deliver a notice by certified mail ("Notice") to the Major Investors stating (i) its bona fide intention to offer such Shares, (ii) the number of such Shares to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such Shares.

(b) By written notification received by the Company, within 20 calendar days after giving of the Notice, the Major Investor may elect to purchase or obtain, at the price and on the terms specified in the Notice, up to that portion of such Shares which equals the proportion that the number of shares of common stock issued and held, or issuable upon conversion of the Series A Preferred Stock then held, by such Major Investor bears to the total number of shares of common stock of the Company then outstanding (assuming full conversion and exercise of all convertible or exercisable securities). The Company shall promptly, in writing, inform each Major Investor which purchases all the shares available to it ("Fully-Exercising Investor") of any other Major Investor's failure to do likewise. During the ten-day period commencing after such information is given, each Fully-Exercising Investor shall be entitled to obtain that portion of the Shares for which Major Investors were entitled to subscribe but which were not subscribed for by the Major Investors which is equal to the proportion that the number of shares of common stock issued and held, or issuable upon conversion of Series A Preferred Stock then held, by such Fully-Exercising Investor bears to the total number of shares of common stock issued and held, or issuable upon conversion of the

Series A Preferred Stock then held, by all Fully-Exercising Investors who wish to purchase some of the unsubscribed shares.

(c) If all Shares which Investors are entitled to obtain pursuant to (b) are not elected to be obtained as provided in (b) hereof, the Company may, during the 30-day period following the expiration of the period provided in (b) hereof, offer the remaining unsubscribed portion of such Shares to any person or persons at a price not less than, and upon terms no more favorable to the offeree than those specified in the Notice. If the Company does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within 30 days of the execution thereof, the right provided hereunder shall be deemed to be revived and such Shares shall not be offered unless first reoffered to the Major Investors in accordance herewith.

(d) The right of first offer in this Section 2 shall not be applicable (i) to the issuance or sale of shares of common stock (or options therefor) to employees for the primary purpose of soliciting or retaining their employment pursuant to a stock option or stock purchase plan, (ii) the issuance of securities pursuant to the conversion or exercise of convertible or exercisable securities, (iii) the issuance of securities in connection with a bona fide business acquisition of or by the Company, whether by merger, consolidation, sale of assets, sale or exchange of stock or otherwise or (iv) the issuance of stock, warrants or other securities or rights to persons or entities with which the Company has business relationships provided such issuances are for other than primarily equity financing purposes and provided that at the time of any such issuance, the aggregate of such issuance and similar issuances in the preceding twelve month period do not exceed 2% of the then outstanding Common Stock of the Company (assuming full conversion and exercise of all convertible and exercisable securities).

(e) The right of first refusal set forth in this Section 2 may not be assigned or transferred, except that (i) such right is assignable by each Holder to any wholly owned subsidiary or parent of, or to any corporation or entity that is, within the meaning of the Act, controlling, controlled by or under common control with, any such Holder, and (ii) such right is assignable between and among any of the Holders.

3. Miscellaneous.

3.1 Successors and Assigns. Except as otherwise provided herein, the

terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties (including transferees of any shares of Registrable Securities). Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

3.2 Governing Law. This Agreement shall be governed by and construed

under the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

3.3 Counterparts. This Agreement may be executed in two or more

counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

3.4 Titles and Subtitles. The titles and subtitles used in this

Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

3.5 Notices. Unless otherwise provided, any notice required or

permitted under this Agreement shall be given in writing and shall be deemed effectively given upon personal delivery to the party to be notified or upon deposit with the United States Post Office, by registered or certified mail, postage prepaid and addressed to the party to be notified at the address indicated for such party on the signature page hereof, or at such other address as such party may designate by ten (10) days' advance written notice to the other parties.

3.6 Expenses. If any action at law or in equity is necessary to

enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

3.7 Amendments and Waivers. Any term of this Agreement may be

amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the holders of a majority of the Registrable Securities then outstanding. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each holder of any Registrable Securities then outstanding, each future holder of all such Registrable Securities, and the Company.

3.8 Severability. If one or more provisions of this Agreement

are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

3.9 Aggregation of Stock. All shares of Registrable Securities

held or acquired by affiliated entities or persons shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

3.10 Entire Agreement; Amendment; Waiver. This Agreement

(including the exhibits hereto, if any) constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof.

IN WITNESS WHEREOF, the parties have executed this Investors' Rights Agreement as of the date first above written.

AMERIGON INCORPORATED,
a California corporation

By: _____
_____, President
Address: _____

INVESTORS:
WESTAR CAPITAL II LLC

By: _____
Address: _____

BIG BEAVER INVESTMENTS LLC

By: _____
Address: _____

AMERIGON INCORPORATED LOAN AND
PREFERRED STOCK PURCHASE

SUMMARY OF TERMS

Limited Liability Company

The following is a summary of terms for the formation of Big Star Investments LLC, a Delaware limited liability company (the "Company"). Terms that are defined in the Credit Agreement but not herein shall have the meanings ascribed to them in the Credit Agreement.

1. Members: The members shall be Westar Capital II LLC and Big Beaver Investments LLC.
2. Purpose of Company: The purpose of the Company will be to fund the bridge loan to Amerigon Incorporated, a California corporation ("Amerigon"), pursuant to the Credit Agreement. The Company will be the sole lender with respect to the Credit Agreement and the note and security agreements related thereto.
3. Initial Capital Contribution: Each member will make an initial capital contribution of \$100,000, giving each member a 50% membership interest. The parties agree that the warrants issued in connection with the Credit Agreement shall have no value for purposes of determining each member's capital account.
4. Additional Capital Contributions: Additional capital calls will be made upon the unanimous agreement of the Members in order to fund the Company's obligations under the Credit Agreement. In order to be able to timely meet the Company's obligations under the Credit Agreement, each member will promptly make an additional capital contribution equal to one-half of the amount requested in Amerigon's notice of borrowing under the Credit Agreement. The intention of the members is that they will at all times maintain their respective 50% ownership interest in the Company.

Big Beaver Investments LLC

Westar Capital II LLC

5. Incapacity: In the event that either member is unable for reasons beyond its control to make a capital call, the other member shall have the right but not the obligation to cover for the first member with respect to such capital call; provided that such first member shall have the right and the obligation to make such capital call as soon as practicable thereafter.
6. Management: The Company shall be managed by the members and all decisions shall be made by the unanimous consent of the members, including without limitation (a) the requirement for additional capital contributions to fund the Company's obligations under the Credit Agreement, and (b) the declaration of a default by Amerigon under the Credit Agreement. Without in any way limiting the foregoing, the members of the Company agree that any and all actions taken by the Company as Lender under the Credit Agreement will require the unanimous consent of the members.
7. Termination: Upon the repayment by Amerigon of all its obligations under the Credit Agreement and related notes or the conversion of such debt into equity securities, the Company shall be dissolved and liquidated, and the assets of the Company shall be distributed to the members in accordance with their capital accounts.
8. Restrictions on Transfer: Neither member may transfer its membership interest to any non-affiliate without the prior consent of the other member. In the event a member proposes to transfer its membership interest to a non-affiliate, the other member shall have the right of first refusal to purchase all, but not less than all, of such interest. If the non-transferring member declines to purchase such interest within ten (10) days, then the transferring member may sell such interest to a non-affiliate at a price and on terms no less favorable than those offered to the non-transferring member for a period of sixty (60) days. After such sixty (60) day period, any transfer by the member to a non-affiliate would be subject to the same right of first refusal to the non-transferring member as set forth hereinabove. For these purposes, an "affiliate" shall be deemed to be any person which, directly or indirectly, controls, is controlled by or under common control with the transferring member.
9. Indemnification: Each member shall indemnify the other for a breach of any term or condition of the Company's operating agreement, including without limitation a member's unreasonable failure to fund a

Big Beaver Investments LLC

Westar Capital II LLC

capital call under circumstances where the Company is determined by a court of competent jurisdiction to have breached its obligation to fund a loan to Amerigon under the Credit Agreement.

10. Fees and Expenses: Any fees received by the Company under the Credit Agreement shall be shared equally by the members. The cost of forming and maintaining the Company and administering the activities of the Company relating to the Credit Agreement (including without limitation all legal and other expenses incurred by or on behalf of each of the members prior to the formation of the Company) shall be borne equally by the members.
11. Governing Law: This summary of terms shall be governed by and construed in accordance with the laws of Delaware, irrespective of that state's choice of law principles.

Shareholders' Agreement

The following is a summary of terms for the Shareholders' Agreement between Westar Capital II LLC and Big Beaver Investment LLC (collectively referred to herein as the "Shareholders") in connection with the shares of Series A Preferred Stock and warrants to purchase Class A Common Stock of Amerigon Incorporated to be purchased by the Shareholders. The term "Shares" shall refer to the Series A Preferred Stock, any shares of Class A Common Stock to be issued upon the conversion of such Series A Preferred Stock, and any shares of Class A Common Stock to be issued upon exercise of the warrants. Terms that are defined in the Securities Purchase Agreement ("SPA") but not herein shall have the meanings ascribed to them in the SPA.

1. Right of First Refusal: In the event a Shareholder proposes to transfer its Shares to a non-affiliate, the other Shareholder shall have the right of first refusal to purchase all, but not less than all, of such Shares at the price and upon substantially the same terms. In the event the non-transferring Shareholder declines to purchase such Shares within ten (10) days, then the transferring Shareholder may sell such Shares to a non-affiliate at a price and on terms that are no less favorable than those offered to the non-transferring Shareholder for a period of sixty (60) days. After such sixty (60) day period, any transfer by the Shareholder to a non-affiliate would be subject to the same right of first refusal to the non-transferring Shareholder as set forth hereinabove. This right of first refusal shall not apply to any sale by the transferring Shareholder of any Shares after the earlier to occur of (a) such time as the equity interest in Amerigon held by the non-transferring Shareholder falls below 15% of

Big Beaver Investments LLC

Westar Capital II LLC

Amerigon's common shares on a fully-diluted basis, or (b) a registered offering by Amerigon in which each Shareholder has the opportunity, whether or not it chooses to exercise such right, to sell all or, at a minimum, 20% of its Shares. For purposes of this Agreement, the term "affiliate" shall mean any person which, directly or indirectly, controls, is controlled by or is under the common control with the transferring Shareholder.

2. Co-sale Right:

Subject to each Shareholder's right of first refusal under the immediately preceding paragraph, each Shareholder shall have the right to participate on a pro-rata basis in transfers of Shares for value by the other Shareholder. This co-sale right shall not apply to the sale of any Shares after the earlier to occur of (a) such time as the equity interest in Amerigon held by the non-transferring Shareholder falls below 15% of Amerigon's common shares on a fully-diluted basis, or (b) a registered offering by Amerigon in which each Shareholder has the opportunity, whether or not it chooses to exercise such right, to sell all or, at a minimum, 20% of its Shares.

3. Buy-out Provisions:

Upon the occurrence of a "trigger event," either Shareholder ("offeror") may provide notice to the other Shareholder ("offeree") of its desire to, at the offeree's option, either (a) sell its shares to the offeree, or (b) buy the offeree's Shares, at the price stated in the notice. Upon receipt of such notice, the offeree shall have the option to (a) purchase the offeror's Shares, or (b) sell its Shares to the offeror.

For purposes hereof, a "trigger event" shall mean a disagreement between the Shareholders as to how they will vote on any of the following matters that are submitted to the Shareholders for approval: (a) the merger, consolidation, sale of all or substantially all of Amerigon's common stock or assets, (b) a reorganization of Amerigon, (c) Amerigon's entering into voluntary bankruptcy, insolvency or other similar proceedings, (d) dissolving or commencing the winding up of Amerigon, or (e) any transaction that would result in a material change in the capital structure of Amerigon.

4. Board of Directors:

So long as the holders of Series A Preferred Stock are entitled to elect five of the seven authorized directors of Amerigon, the Shareholders shall agree to vote their shares of Series A Preferred Stock for the election of the following persons to the board of

Big Beaver Investments LLC

Westar Capital II LLC

directors; (a) two individuals nominated by Westar Capital II LLC, (b) two individuals nominated by Big Beaver Investments LLC, and (c) one auto industry expert who is mutually agreeable to the shareholders.

5. Election of Officers: The Shareholders will accept Mr. Bell's resignation as Chairman of Amerigon and elect Mr. Bell as Vice-Chairman for Technical Affairs as well as a director of Amerigon. The Shareholders will vote to elect Mr. Weisbart as Chairman, President and CEO as well as a director of Amerigon.
6. Transactions with Amerigon: The Shareholders will vote their respective shares, as and if required, to approve any contracts for materials or services between Amerigon and either Shareholder, or any of their respective affiliates, provided that the terms of those Shareholder or Shareholder-affiliate contracts with Amerigon are at least as favorable to Amerigon as are commercially available from a third-party supplier or provider that is not an affiliate of the Shareholders.
7. Termination: The term of the Shareholders Agreement shall commence on the date of the Closing under the SPA and shall terminate upon the earliest to occur of: (a) the date upon which the shareholders agree in writing to terminate the SPA; (b) the fifth anniversary of the Closing under the SPA; or (c) the Shareholders have exercised their demand and/or piggyback registration rights under the Investors' Rights Agreement and have sold or have had the opportunity to sell (whether or not they choose to exercise such right), as the case may be, an amount equal to all or, at a minimum, 20% of their respective equity interest (on a fully-diluted basis) in Amerigon which they purchased at the Closing of the SPA.
8. Certain Additional Agreements: The Shareholders agree that they will not purchase any shares of Amerigon other than pursuant to the Credit Agreement and the SPA and transactions contemplated thereby. The Shareholders agree that any shares sold by them to third parties shall be subject to those third parties agreeing in writing to be bound by the provisions of the Shareholders Agreement if such agreement is still in effect. The Shareholders will file as a "group" a Schedule 13D as required under the Securities Exchange Act of 1934, as amended.

Big Beaver Investments LLC

Westar Capital II LLC

9. Fees and Expenses: Any fees received by the Shareholders under the SPA shall be shared equally by the Shareholders. The Shareholders agree to share equally all costs or expenses incurred by each of them or on their behalf related to the transactions contemplated by the SPA, including without limitation all costs and expenses related to the preparation of this Summary of Terms and the drafting of all legal documents related to the SPA.

10. Governing Law: The Shareholders Agreement shall be governed by and construed in accordance with the laws of Delaware, irrespective of that state's choice of law principles.

This Summary of Terms related to the parties' joint loan to, and prospective investment in Amerigon Incorporated, by and between BIG BEAVER INVESTMENTS LLC and WESTAR CAPITAL II LLC, is hereby agreed to on this 18th day of March, 1999.

By: /s/ Oscar B. Marx III

BIG BEAVER INVESTMENTS LLC

By: /s/ John Clark

WESTAR CAPITAL II LLC