

Sep 27 06 02:37p

Curt Hendrix

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p. 1

Migrelief Agreement Memo

1. **Exclusive Rights and Channels of Distribution:** Quantum, Inc. has exclusive rights to sell the migrale formula from Akaso Health Sciences, LLC, currently known as Migrelief™, and any improved or derivative formulas, to all health food, natural product stores and vitamin/mineral/supplement stores without pharmacies including Vitamin Shoppes and Pharmaca in the USA, and the non-exclusive rights to sell the via the internet. AH will keep exclusive rights to GNC, Great Earth, Vitamin World, Seattle Super Supplements, and all other channels of distribution.
2. **Monitoring distribution to other independent pharmacies.** Quantum will set up a program to monitor its distributors to insure, to the best of it's ability, that its formula will not be sold to stores outside of the scope of this agreement by its distributors. To this purpose, Quantum will notify all distributors of the pertinent restrictions by mail and by phone. In the event that the product is found in such an account, Quantum shall 1) Notify the distributor by phone and mail that they are to stop selling to that account, and 2) notify the account by phone and mail that they cannot sell the Quantum brand but that they can sell the AH brand and provide them with the facilitative information to do so. Copies of such written correspondence shall be sent to AH.
3. **Term:** Initial term is 3 years, with no minimum purchase requirements. The automatic renewal of this agreement will take place as long as Quantum purchases a minimum of 6,000 bottles per quarter for the last two quarter during the third year of the initial term, and continues to order 6,000 bottles/quarter during the automatic renewal term. This memo releases both parties from prior agreements and any and all obligations.
4. **Product Supply and quality assurance.** AH will deliver bulk product to Quantum within six to eight weeks of receiving an order. AH shall supply a label-claim potency verification assay of the product two times per year.
5. **Pricing:** Upon signing of the new agreement, the price will increase by .0125 cents per tablet (.75 cents per 60 tabs) to \$3.80 per 60 tablets. Quantum currently pays \$.0508 cents per tablet, or \$3,048 per 60 tablets. Future price increases must be relative percentage-wise to AH's own increases in hard manufactured costs. Any rise in prices to us can be instituted with a 90 day advance written notice.
6. **Product liability.** AH and it's manufacturer will maintain product liability insurance and provide Quantum with copies of both its own and its contract manufacturer's product liability insurance on an annual basis or whenever there is a change to either policy.
7. **Trademark Transfer:** Upon signing of a new agreement, Quantum will transfer the registration to the Migrelief trademark to AH and AH will license the right to use the trademark back to Quantum as long as Quantum remains licensee. If AH cancels this agreement for any reason other than breach or expiration, AH will transfer the trademark registration back to Quantum.
8. **Cancellation:** Contract can be cancelled by Quantum with 60 days notice for any reason and without further financial or other obligations to AH. AH may cancel if Quantum is in breach. Quantum will have 60 days from written notice to cure any breach ~ except for financial breach which shall be curable in 30 days. If AH cancels, Quantum is not liable for any additional product purchase and Quantum will have 120 days to sell off any outstanding inventory.
9. **Transfer to third Party:** Quantum's rights under the agreement may be transferred to another party if that party acquires a substantial portion of Quantum's stock or assets.
10. **Label design:** Quantum agrees to a change of label design to a mutually agreed upon look. Both parties will do their best to come up a with a design that ideally uses two key elements found in

Sep 27 05 02:37p

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p. 2

the current Quantum label; specifically the three heads concept as well as the green band logo on top. Quantum's brand will say Quantum Health in that band. The object is to allow both parties to present a fresh unified look. New design costs to be split AH and Quantum using a mutually agreed upon graphic designer. Both parties will do their best to have the new label ready in a timely manner and to start using it on bottles on the run following the depletion of current inventories.

- 11. Once per quarter, AH will discuss it's various marketing plans and any plans for scientific studies with the principals at Quantum and provide Quantum with materials that AH feels are relevant to their sales and marketing efforts.
- 12. The agreement will include mutual hold harmless, arbitration and attorney's fees clauses.
- 13. This document is not the final agreement.
- 14. AH will prepare and submit final agreement within 6 weeks from the signing date of this memo.

Sign and Date:

Curt Hendrix Sept. 27, 2005

Curt Hendrix
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