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### **Mutual Non Disclosure Agreement**

This Mutual Non Disclosure Agreement (the "Agreement") is made and entered into as of the 25<sup>th</sup> day of February, 2005 (the "Effective Date") by and between **SPECIALIZED MARKETING SERVICES, INC.**, a California corporation with offices at 17809 Gillette Ave, Irvine, CA 92614 ("SMS") and Amerikal Nutraceutical Corp. a CA corporation with offices at 17751 Mitchell Avenue Irvine, CA 92614 (the "Company").

**WHEREAS**, SMS and Company have agreed to enter into certain business discussions and/or transactions regarding Marketing Services (the "Transaction");

**WHEREAS**, SMS and Company will disclose certain information and documentation that is non-public, confidential and/or proprietary in nature during discussions regarding the Transaction in order to evaluate a potential business relationship between SMS and Company (the "Purpose");

**NOW THEREFORE**, in consideration of the mutual promises and covenants contained in this Agreement, and intending to be legally bound by this Agreement, SMS and Company hereby agrees as follows:

1. Any information and documents that are furnished by one party to another, whether intentionally or unintentionally and whether or not related to the Transaction, unless otherwise excepted, are proprietary and confidential and shall be used only for the Purpose. This information includes, without limitation: the terms of this Agreement; technical specifications and operating manuals; information relating to and descriptions of current, future, or proposed products and services and combinations of products and services; financial information; information related to mergers or acquisitions; passwords and security procedures; computer programs, software, and software documentation; customer and/or prospective client lists, data files, and all other information relating in any way to the customer and/or prospective clients and printouts; records; policies, practices and procedures; and any or all other information, data or materials relating to the business, trade secrets and technology of a party, its customers, clients, employees, business affairs, affiliates, subsidiaries and the affiliates of its parent organization (all of the foregoing collectively referred to as "Confidential Information"). For the purpose of this Agreement, the "Discloser" is the party to whom the Confidential Information belongs and the "Recipient" is the party receiving Confidential Information.
2. Each party agrees to maintain the Confidential Information in confidence using the same degree of care that it uses to protect its own information of a confidential nature, but in no event less than a reasonable standard of care. Each party further agrees to (a) restrict disclosure of Confidential Information solely to persons who need to know the Confidential Information to perform under this Agreement, and (b) use the

Confidential Information only for the Purpose, and (c) not to disclose any Confidential Information to any third party without written approval of Discloser, and (d) inform those third parties and other persons who receive Confidential Information of its confidential nature and obtain their written agreement to abide by confidentiality provisions that are no less stringent than those set forth in this Agreement. Recipient agrees that it shall not make copies of the Confidential Information except as absolutely required for the Purpose. All copies made, in any medium whatsoever, shall retain all confidential and proprietary markings of the original and shall be covered by the terms and conditions of this Agreement.

3. Except as required by law, without the prior written consent of Discloser, neither Recipient nor any of its representatives will disclose to any other person or entity the fact that the Confidential Information has been made available, that discussion or negotiations are taking place concerning the Transaction, or any of the terms, conditions or other facts with respect to the Transaction.

4. All Confidential Information is and will remain the property of Discloser. By disclosing the Confidential Information, Discloser does not grant any express or implied license or other rights to or under its copyrights, trademarks, trade secrets or other proprietary rights.

5. The obligations imposed under this Agreement shall not apply to Confidential Information that (a) is made public by Discloser, or (b) is or becomes generally available to the public other than as a result of disclosure by Recipient or its representatives, or (c) is or becomes available to Recipient on a non-confidential basis from a source (other than Discloser or its representatives) that is not known to Recipient to be prohibited from disclosing such

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Confidential Information to Recipient by a legal, contractual or fiduciary obligation to Discloser; or (d) is disclosed with the prior written consent of Discloser. In the event that Recipient or any of its agents becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil or criminal investigative demand or similar process) to disclose any Confidential Information, then Recipient shall provide Discloser with prompt prior notice so that Discloser may seek a protective order or other appropriate remedy. In the event that such protective order or other remedy is not obtained, or that Discloser waives compliance with the provisions of this Agreement, Recipient will furnish only that portion of the Confidential Information which in the judgment of its counsel is legally required and will exercise reasonable efforts to obtain assurances that confidential treatment will be accorded the Confidential Information.

6. Each party acknowledges and agrees that any breach or threatened breach of any of the provisions of this Agreement will result in immediate and irreparable harm and that any remedies at law in such event will be inadequate. Each party agrees that such breaches, whether threatened or actual, will give the non-breaching party the right to terminate this Agreement immediately and obtain injunctive relief to restrain such disclosure or use. This right shall, however, be in addition to and not in lieu of any other remedies at law or in equity.

7. Either party may terminate this Agreement at any time upon ten (10) days prior written notice to the other party. Either party may immediately terminate this Agreement upon written notice in the event of a breach by the other party of any term or condition of this Agreement. Notwithstanding any termination of the Agreement, and whether or not the Transaction proceeds, all provisions of this Agreement will remain in effect for a period of two (2) years from the Effective Date hereof unless sooner terminated or superseded by mutual agreement of the parties.

8. Upon termination of the Agreement, all copies of the Confidential Information, except for that portion of the Confidential Information that consists of analyses, compilations, forecasts, studies or other documents prepared by Recipient will either be destroyed or returned to the Discloser within ten (10) days following written request. That portion of the Confidential Information that consists of analyses, compilations, forecasts, studies or other documents prepared by Recipient will be held by Recipient and kept confidential and subject to the terms and conditions of this Agreement or destroyed in the event negotiations for the Transaction are terminated.

9. This Agreement is not intended to and shall not be construed as creating a joint venture, partnership, or other form of business association between the parties. Neither party shall have the power or authority or bind or obligate the other party.

10. This Agreement will be governed by and construed in accordance with the laws of the State of California irrespective of its choice of laws principles.

11. This Agreement constitutes the only agreement between the parties relating to the confidentiality of information provided in connection with the Transaction. This Agreement will expressly survive whatever determination the parties may make regarding the Transaction. Without limiting the scope of the preceding sentence, the terms and restrictions of this Agreement will continue to apply during any transaction between the parties, except and only to the extent otherwise set forth in the documents pertaining to such transaction.

12. Any notices required or permitted hereunder will be in writing and will be deemed to have been properly given: (i) upon delivery if delivered personally or by courier or overnight service; or (ii) five (5) business days after mailing by certified mail, postage prepaid, return receipt requested, to the parties at the following address (or to such other address of which either party may notify the other in a notice that complies with the provision of this section):

To Specialized Marketing Services, Inc.  
17809 Gillette Ave  
Irvine, CA 92614  
ATTN: General Manager

To: AMERIKAL NUTRACEUTICAL CORP.  
ATTN HERRIE TANTONO, PRES  
17751 MITCHELL AVE  
IRVINE CA 92614

13. No modification or waiver of any provision of this Agreement will be valid unless such modification or waiver is in writing and signed by the party against whom it is sought to be enforced. No waiver at any time of any provision of this Agreement will be deemed to be a waiver of

14. If any provision of this Agreement is held for any reason to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability will not affect any other provisions of this Agreement and this Agreement will be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

IN WITNESS WHEREOF, the parties have caused their respective authorized representatives to enter into this Agreement.

Specialized Marketing Services, Inc.

Company:

AMERIKAL  
NUTRACEUTICAL  
CORP.

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By: /s/ Michael Stannard  
Name: Michael Stannard  
Title: G.M.  
Date: 2/25/05

By: /s/ Herrie Tanton  
Name: Herrie Tanton  
Title: President  
Date: Feb 25, 2005