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AGREEMENT

THIS AGREEMENT, dated Nov 19, 1975
by and between ARROWHEAD PURITAS WATERS, INC. (herein-
after referred to as "SUPPLIER") and EUREKA WATER
COMPANY (hereinafter referred to as
"DISTRIBUTOR") is made and entered into in view of the
following facts.

SUPPLIER and DISTRIBUTOR entered into a
Franchise Agreement dated September 1, 1972
pursuant to which DISTRIBUTOR has installed facilities
for production of OZARKA "scientifically prepared"
drinking water produced by adding OZARKA drinking water
concentrates to purified water. DISTRIBUTOR has been
engaged in the sale of such OZARKA drinking water and
"OZARKA purified water" in the territory defined in said
Franchise Agreement as "Said Territory," comprising the
counties of Cherokee, Craig, Creek, Delaware, Latimer,
McIntosh, Mayes, Muskogee, Okmulgee, Osage, Ottawa,
Pittsburg, Nowata, Rogers, Tulsa, Wagoner and Washington,
in the state of Oklahoma, under license
to DISTRIBUTOR to use the OZARKA trademark at a stipu-
lated royalty per gallon of drinking water and purified
water sold by DISTRIBUTOR.

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*entire state
of Oklahoma
7/8/75*

The parties now believe that it will be to
their mutual advantage to terminate the continuing
obligation of DISTRIBUTOR under said Franchise Agreement
to pay said royalties in consideration of a lump sum

payment for a paid-up license; and to discontinue all obligations of SUPPLIER under said Franchise Agreement except for the obligation to furnish OZARKA drinking water concentrates at SUPPLIER's cost, the continued exercise of control over the quality of the drinking water sold by distributor under the OZARKA mark, and the maintenance of OZARKA registrations in the United States Patent Office for drinking water and for refrigerated and evaporative coolers for drinking water, Nos. 836,026 and 876,741, issued September 26, 1967 and March 5, 1969, respectively.

NOW, THEREFORE, in consideration of the premises and the payment of NINE THOUSAND DOLLARS AND NO CENTS (\$9,000.00) by DISTRIBUTOR to SUPPLIER, receipt whereof is hereby acknowledged, the parties hereto agree as follows:

1. LICENSE TO DISTRIBUTE, BOTTLE, ADVERTISE, AND SELL OZARKA PRODUCTS

The Franchise Agreement between the parties of Arrowhead Puritas Waters, Inc. and Eureka Water Company is hereby terminated and DISTRIBUTOR is granted a royalty-free, paid-up right and license to use the said OZARKA mark in connection with the processing, bottling, sale and distribution within Said Territory of purified water and/or drinking water made from OZARKA drinking water concentrates and in connection with coolers and dispensers therefor, subject to the terms and conditions hereinafter set forth.

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- (a) All purified water sold under the OZARKA mark whether produced by distillation, deionization or other means of demineralization shall be designated as purified water with the method of preparation specified, i.e., "Purified Drinking Water Prepared by Distillation," or by such other designation as may be approved by SUPPLIER in writing. The mineral content of any such purified water sold under the OZARKA mark shall not at any time exceed ten (10) parts per million by weight.
- (b) All OZARKA drinking water sold by DISTRIBUTOR shall be produced from purified water plus OZARKA drinking water concentrates. The labeling shall conform substantially to the form of label annexed hereto as Exhibit I or as may be modified from time to time by SUPPLIER through written notice to DISTRIBUTOR.
- (c) All OZARKA drinking water bottled or sold by DISTRIBUTOR shall be produced in accordance with the production and control specifications of drinking water effective March 7, 1972 supplied to DISTRIBUTOR by SUPPLIER, and DISTRIBUTOR shall conform in

all respects to the quality control provisions respecting concentration, sanitation, sampling, and other procedures set forth in said production and control specifications.

- (d) SUPPLIER through its qualified representative shall have access to the purification and drinking water production facilities of DISTRIBUTOR at all times during normal operations hours for the purpose of checking the procedures employed by DISTRIBUTOR in the operation of such facilities and the quality of the purified and/or drinking water produced by DISTRIBUTOR and bottled and sold by it under the OZARKA trademark. SUPPLIER shall from time to time inspect the OZARKA water production and bottling operations of DISTRIBUTOR and take production line samples for testing and laboratory analysis. DISTRIBUTOR will also send production line samples to SUPPLIER for quality control testing at least quarterly. Such inspections by SUPPLIER shall be in addition to any and all supply of written data to DISTRIBUTOR, as may be required under the production and control specifications, and in addition to any and all inspections and

analyses required under United States Public Health drinking water regulations, as well as any state regulations of the state within which DISTRIBUTOR is operating, and DISTRIBUTOR agrees to comply with all such Federal and state regulations controlling the standards of drinking water, as well as the said production and control specifications of SUPPLIER.

(e) All labels employed by DISTRIBUTOR for use on or in connection with OZARKA drinking water and/or OZARKA purified water shall first be approved in writing by SUPPLIER for trademark usage and compliance with state and Federal labeling laws, and all advertising and listings and printed matter of DISTRIBUTOR shall also be submitted for approval to SUPPLIER prior to publication where the mark OZARKA is included in the listing, advertisement, or other printed matter.

(f) In the event that SUPPLIER notes any deficiencies in the quality of any of the OZARKA waters produced and sold by DISTRIBUTOR under the OZARKA mark, or any failures to comply with the production and control specifications supplied by it, SUPPLIER shall notify DISTRIBUTOR in

writing specifying in detail the deficiency or deficiencies noted, whereupon DISTRIBUTOR shall correct all such deficiencies or failures to comply with the said specifications within thirty (30) days of the date of receipt of said notice from SUPPLIER. In the event of the failure by DISTRIBUTOR to correct any such deficiencies noted by SUPPLIER within said thirty-day period, SUPPLIER may terminate this Agreement upon a second notice to DISTRIBUTOR advising of said termination, which shall be automatic upon the date of receipt of said second notice; provided, however, that in the event DISTRIBUTOR contests the initial existence of any such deficiencies or its failure to correct the same within the stated period, the matter may be determined by arbitration in accordance with the rules of the American Arbitration Association. Upon any termination of this agreement under the provisions of this paragraph 1 (F), DISTRIBUTOR shall cease and discontinue use of the mark OZARKA and any use of OZARKA as part of a trade or business name under which DISTRIBUTOR may be doing business.

(g) SUPPLIER agrees that it will not grant a

license to process, bottle or sell OZARKA drinking water to any other party located within the "Said Territory" during the continuance of this Agreement.

2. THE SUPPLY OF OZARKA DRINKING WATER CONCENTRATES TO DISTRIBUTOR

During the term of this agreement, SUPPLIER shall furnish to DISTRIBUTOR OZARKA drinking water concentrates in such quantities as may be required by DISTRIBUTOR for production of OZARKA drinking water, charging DISTRIBUTOR therefor at its own cost plus freight. DISTRIBUTOR may obtain OZARKA drinking water concentrates from a party other than SUPPLIER, upon notification to SUPPLIER, who will thereupon provide the formulation thereof to such third party if it appears that such third party has adequate experience and facilities to produce such concentrates and maintain the quality and formulation thereof uniformly within the specifications established by SUPPLIER.

3. TERM AND TERMINATION

This agreement shall continue in full force and effect so long as DISTRIBUTOR shall continue the use of the OZARKA mark as licensed hereunder, and SUPPLIER agrees that during the continuance of any such use, it will maintain by renewal or such other action as may be required the aforesaid registrations of said OZARKA trademark in the United States Patent Office.

4. INFRINGEMENT BY THIRD PARTY

Each of the parties agrees to notify the other of any infringements of the trademark OZARKA within the "Said Territory" of DISTRIBUTOR and respecting which it acquires knowledge. SUPPLIER shall have no obligation to take any action or bring suit to enjoin any such infringements, but DISTRIBUTOR may do so at its sole cost and expense, joining SUPPLIER as a party plaintiff in any such action, where such joinder is requisite to the prosecution of same.

5. NOTICES

a. All things to be delivered to either of the parties hereto under the terms of this Agreement shall be considered as so delivered when sent by registered mail, postage prepaid, and addressed respectively as follows:

ARROWHEAD PURITAS WATERS, INC.
Post Office Box 2293, Terminal Annex
Los Angeles, California 90051

b. Either party may at any time change the address to which such things are to be delivered hereunder by ten (10) days' written notice thereof delivered to the other party.

6. ASSIGNMENT

DISTRIBUTOR shall not assign or transfer its rights, or any of them, in this Agreement without the written consent of SUPPLIER, except with an assignment of the entire business and goodwill of DISTRIBUTOR.

7. PRODUCT LIABILITY

The parties agree that DISTRIBUTOR shall bear sole responsibility to third parties for any product liability or claims based on damage or injury to third parties from the OZARKA products or the containers in which distributed, and in the event of any such claim or suit by any third parties against SUPPLIER, DISTRIBUTOR agrees to indemnify SUPPLIER and hold it harmless against all costs and expenses of such litigation, including reasonable attorneys' fees expended by SUPPLIER, and any judgment recovered against SUPPLIER therein.

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

ARROWHEAD PURITAS WATERS, INC.

By: *William J. Johnson*
Its: S.V.P. & Gen. Mgr.

EUREKA WATER COMPANY

By: *John L. ...*
Its: _____