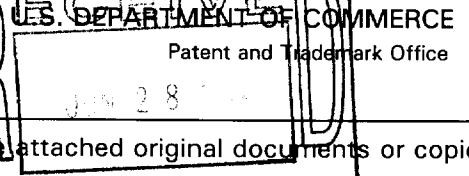


FORM PTO-1595
1/31/92

07-01-1999



SHEET
Y



To the Honorable Commissionere thereof.

101082636

Record the attached original documents or copies

1. Name of conveying party(ies):

Dr. Joseph M. Mercola

*MRD
6-28-99*

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
 Security Agreement Change of Name
 Other: Purchase Agreement

2. Name and address of receiving party(ies):

X-AMS, Inc.
P.O. Box 244
705 S. Lake Huron Shore Dr.
Harrisville, MI 48740

Additional name(s) & address(es) attached? Yes No

Execution Date: January 7, 1998

4. Application number(s) or patent number(s): 5,372,141

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

B. Patent No.(s)

5,372,141

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Kirk A. Vander Leest
McAndrews, Held & Malloy
500 West Madison Street
34th Floor
Chicago, Illinois 60661

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41): \$ 40.00 *40E*

- Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: 13-0017

(Attach duplicate copy of this page if paying by deposit account)

6/30/1999 DNGUYEN 00000309 5372141

DO NOT USE THIS SPACE

01 FC:501

40.00 DP

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Signature and Registration Number: *Kirk A. Vander Leest* 34,036 Date: June 28, 1999

Name of Person Signing: Kirk A. Vander Leest

Total number of pages including cover sheet, attachments and document: 4

PURCHASE AGREEMENT

Mus
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WHEREAS, Dr. Joseph M. Mercola ("Seller") is the owner of the Body Composition Analyzer, Patent #5,372,141 and related technology; equipment, inventory, regulatory approval and other assets described on Exhibit "A", attached hereto ("Purchased Assets) and Seller is desirous of purchasing said Purchased Assets.

WHEREAS, X-AMS, Inc., a Michigan Corporation (.Buyer) is desirous of purchasing the Purchased Assets.

1. Closing. Subject to satisfaction of the conditions contained in paragraph 4 hereof, the closing (the "Closing) of the purchase and sale of the Purchased Assets shall be consummated on January 7, 1998 or on such other date as the parties may mutually agree upon (the "Closing Date"). At Closing, Seller shall execute and deliver to Buyer a Bill of Sale and Assignment(s) and such other instruments of transfer, in form and substance satisfactory to Buyer, as are necessary to transfer to Buyer good, insurable and marketable title rights to the Purchased Assets and shall deliver to Buyer immediate possession of the Purchased Assets. Buyer shall. furnish the above documents,

2- Purchase Price. The purchase price for the Purchased Assets shall be sixty five thousand (\$65,000.00) dollars . The purchase price will be payable as follows:

- a. Ten thousand (\$10,000.00) dollars, as earnest money payable upon the exerution of this agreement.
- b. Ten thousand (\$ 10,000.00) dollars on the Closing Date;
- c. and the balance payable in the form of a three (3) year note, payable monthly beginning February 15, 1998., with an interest rate of eight (8%) percent. Said note shall be secured by a security interest in the Purchased Assets in favor of the seller or its assignee;
- d. Joseph Mereola will receive two (2) new units, when manufactured, FREE of charge
- e. Will return exsisting original BCA unit when new development is completed.

3. Purchased Assets. At Closing, Seller shall transfer the Purchased Assets to Buyer, free and clear of any liens and encumbrances.

4. Conditions. The Closing of the purchase and sale of the Purchased Assets is contingent upon Seller obtaining a surrender of the items listed on Exhibit "A" by the date of Closing. Should Seller be unable to obtain a surrender of the items listed on Exhibit "X by the closing date Buyer's sole remedy shall be a return of the earnest money pursuant to paragraph 2 (a) above.

5. Expenses. Each party shall bear its own expenses and costs of this transaction, including those incurred for attorneys, accountants, and other advisors.


6. Public Announcements. Neither Buyer nor Seller will make any public announcement concerning the proposed transaction without the prior written consent of the other party.

7. **Governing Law** The validity, interpretation and enforcement of this letter are governed by the laws of the state of Illinois.


8. **Entire Agreement.** This letter expresses the complete understanding of the parties hereto as of its date with respect to the matters and transactions described herein, and supersedes all prior agreements of representations, oral or written, by any party hereto. This letter will be binding upon Seller and its successors, and upon the Buyer and its successors or assigns.

9. **Arbitration.** In the event a dispute arises under this Purchase Agreement which cannot be resolved in good faith by the parties hereto, the parties agree to submit such dispute to binding arbitration. The arbitration shall be conducted by a committee of three (3) arbitrators one appointed by each of the parties hereto and one appointed by the two (2) arbitrators so appointed. The arbitrators shall abide by the rules of the American arbitration Association and their decision shall be made within forth five (45) days of being appointed. The resolution of the dispute by the arbitrators shall be final and binding on the parties. The location of the Arbitration shall be Cook County, Illinois.


ACCEPTED AND AGREED to this 7th day of January 1998 at Schaumburg, IL



Joseph Mercola, D.O.
Seller



by X-AMS, INC
by: Michael G. Singer
President X-AMS, INC




(MCC)
jm

EXHIBIT "A"

PURCHASED ASSETS

1. All rights and interest of Seller in the technology known as the "BCA" body composition analyzer.
- 2- All rights and interest of Seller in and to U.S. Patent #5,372,141 relating to the "BCA" body composition analyzer.
3. All rights and interest of Seller in and to United States Federal Drug Administration 510K approval to market the "BCA" body composition analyzer.
4. Seller's Rights to name -BCA and "Body Composition Analyzer"
5. Product Specifications Schematics, CAD Files, Gerber Files, Source Code, and Production Jigs.
6. All future inquires regarding BCA will be forwarded to X-AMS
7. Business and Manufacturing Contacts.