

EXHIBIT 1



The Natural Way™

May 14, 1999

Dr. Robert L. Bratton, M.D.
Mayo Primary Care Centers
4205 Belfort Road, Suite 1000
Jacksonville, FL 32216

Dear Dr. Bratton:

This letter is to confirm that QT, Inc. will provide Dr. Bratton and the Mayo Clinic of Jacksonville 305 activated Q-Ray Bracelets and 305 placebo bracelets. The volunteers can keep their activated Q-Ray Bracelets and we will send an additional 305 activated Q-Ray Bracelets to those who received the placebo bracelets.

Sincerely,

Andrew Park
President

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EXHIBIT 2

Clinical Research Agreement

Effective as of _____, 1999, MAYO FOUNDATION, a Minnesota charitable corporation *Florida (MAYO), with Robert L. Bratton, M.D. as principal investigator (INVESTIGATOR), and QT, Inc., a _____ corporation (QT) agree as follows: *RLB*

I. Project Summary

MAYO intends to undertake a research project as described below. Summary data about the project is set forth as follows:

(a) TITLE: "The Benefits of Ionized Wrist Bracelets," (STUDY)

(b) START DATE: October ___, 1999

(c) PROJECTED COMPLETION DATE: November ___, 1999

(d) MAYO ADMINISTRATIVE CONTACT: *XXXXXXXXXXXXXX* *RLB*

Mr. Jeffrey Scheffel *XXXXXXXXXXXXXXXXXXXX*
Mayo Clinic Jacksonville *RLB*
4500 San Pablo Road *XXXXXXXXXXXXXX*
Jacksonville, FL 32224 *XXXXXXXXXXXXXX*
904-953-7173 *XXXXXXXXXXXXXX*
XXXXXXXXXXXXXX
XXXXXXXXXXXXXX

(e) QT ADMINISTRATIVE CONTACT: *L124 CIPRIAN*

QT, Inc.
680 Fargo Avenue
Elk Grove Village, IL 60007

2. Provision of Wrist Bracelets

QT shall provide MAYO and INVESTIGATOR with three hundred and five (305) activated Q-Ray wrist bracelets and three hundred and five (305) unactivated placebo bracelets for use in the STUDY. After completion of the STUDY, QT shall provide INVESTIGATOR with an additional three hundred and five (305) activated Q-Ray wrist bracelets for those who received a placebo bracelet during the STUDY.

3. Confidentiality and Proprietary Data

3.1 -- QT holds a proprietary interest in certain information which QT may disclose to MAYO in connection with the STUDY and treats such information as confidential (hereinafter called

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"Confidential Information"). MAYO shall not disclose to any third party any Confidential Information and shall not use any Confidential Information except for the purpose of performing the STUDY or with the prior express written consent of QT. These restrictions on the disclosure and use of information shall not, however, apply to information which:

- a) is in the public domain through no fault of MAYO;
- b) is given to MAYO on other than a confidential basis by a third party;
- c) was in the possession of Mayo before receipt from QT and was developed independently or acquired directly or indirectly from a source wholly independent of QT; or
- d) is the subject of a valid subpoena or is otherwise required by law to be disclosed, provided that prompt notice is given to QT of the requirement of such disclosure.

3.2 -- After completion of the STUDY, MAYO will provide QT with the data reflecting the results of the work completed under the STUDY. All original data and records of the work completed under the STUDY shall remain the property of MAYO.

4. Patent Rights

It is expressly agreed that neither MAYO nor QT transfers by operation of this Agreement to the other party any patent right, copyright, or other proprietary right owned as of the commencement date of this Agreement.

5. Publication

MAYO and INVESTIGATOR reserve the right to publish the results of work completed under the STUDY. QT may use the results of the STUDY for any lawful purposes.

6. Use of Name

QT and MAYO shall not use, expressly or by implication,

- (a) Any trademark, trade name, or any contraction, abbreviation, simulation, or adaptation thereof of the other party; or
- (b) The name of any of other party's staff;

in any news, publicity release, policy recommendation, advertising or any commercial communication without the express written approval of the other party.

7. *Indemnification and Negation of Warranties*

7.1 -- QT agrees to indemnify, defend and hold harmless MAYO, its trustees, officers, employees and agents from (1) any claims, loss, damage, arising from QT's use of the data reflecting the work completed under the STUDY and (2) any liability and expenses (including attorney's fees) arising out of an injury or condition allegedly caused by the administration of the article being tested. Notwithstanding the above, QT shall not be responsible for indemnifying MAYO, its trustees, officers, employees or agents for any liability proven to be due to MAYO's negligence or willful misconduct. In the event that QT defends MAYO and proof of the foregoing is established, MAYO shall reimburse QT for all costs and expenses incurred by QT in such defense. QT agrees not to compromise or settle any claim against MAYO without the prior written approval of MAYO.

7.2 -- MAYO makes no representations or warranties, expressed or implied, regarding the research results developed under the STUDY, including but not limited to, the marketability, use or fitness for any particular purpose of the research results developed under this work, or that such results do not infringe upon any third party property rights. Further, MAYO shall not be liable for special, consequential, or incidental damages.

8. *Termination*

8.1 -- Articles 3, 4, 5, 6, and 7 shall survive indefinitely the termination of this Agreement.

8.2 -- If for any reason INVESTIGATOR becomes unavailable to direct the performance of the work under this Agreement, MAYO shall notify QT. If the parties are unable to identify a mutually acceptable successor, this Agreement may be terminated by either party upon ten (10) days written notice.

8.3 -- This Agreement may be terminated by either party giving to the other a minimum of thirty (30) days prior written notice. If QT terminates this Agreement after the commencement of the STUDY, QT shall remain obligated to provide MAYO and INVESTIGATOR with the three hundred and five (305) activated Q-Ray wrist bracelets after completion of the STUDY.

9. *General*

9.1 -- This Agreement may be amended only by the written agreement of the parties.

9.2 -- This Agreement may not be assigned by MAYO or QT without the prior written consent of the other.

9.3 -- The captions and headings used in this Agreement are for convenience and reference only and are not a part of this Agreement.

9.4 -- All notices shall be in writing and sent to the respective administrative contacts set forth in paragraph 1 of this Agreement. Notices shall be deemed to have been given when delivered if personally delivered, on the business day after dispatch if sent by air courier, on the third business day following the date of mailing if sent by mail, and on the date of telefax if sent by telefax transmission.

9.5 -- This Agreement and its effects are subject to and shall be construed and enforced in accordance with the laws of the State of ~~Minnesota~~*, exclusive of choice of law provisions. * Florida

MAYO FOUNDATION *per B*
CLINIC JACKSONVILLE

QT-Inc.

By *Jeff Scheffel*

Jeff Scheffel
Title Chair, Division of
Research Services

Date 11/3/99

Robert Rutherford, M.D.
Investigator

By *Que T. Park*

Title President

Date Sept. 24, 1999



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EXHIBIT 3

Tetzlaff, Linda M.

From: Aschoff, Jennifer J.
Sent: Thursday, August 19, 1999 11:41 AM
To: Bratton, Robert L., M.D.
Cc: Tetzlaff, Linda M.
Subject:

MINUTE EXCERPT
Mayo Institutional Review Board

The following is an excerpt from the minutes of the Mayo Institutional Review Board dated Friday, August 13, 1999:

The Board reviewed correspondence from Dr. R. L. Bratton regarding the previously deferred protocol entitled "The Benefits of Ionized Wrist Bracelets". Dr. Bratton provided clarification of the composition of the study bracelets and verification that participants will receive no radiation exposure from wearing the bracelets. The Board felt that the concerns in the IRB minute of July 16, 1999 were adequately addressed and determined the bracelets to be of non-significant risk. The protocol is approved for activation. Approval is with the understanding that patients with implanted electrical devices will not be eligible for participation. The consent form was approved with revisions. A maximum of 610 healthy adult subjects is approved for this protocol at Mayo Clinic Jacksonville. The patient surveys, postcard and recruitment advertisement were approved. Funding is approved from contingency funds available to the Mayo Clinic Jacksonville Research Committee. This approval is valid for exactly one year unless the investigator is notified otherwise.

*Barbara L. Porter, Secretary
Institutional Review Board*

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EXHIBIT 4

Hall, Linda J.

From: Tetzlaff, Linda M. (JAX)
Sent: Wednesday, September 20, 2000 2:58 PM
To: Hall, Linda J.
Subject:

From: Limoges, Jennifer K.
Sent: Wednesday, September 20, 2000 12:25 PM
To: Bratton, Robert L., M.D.
Cc: Mueller, Michael B., D.O.; Tetzlaff, Linda M. (JAX)
Subject:

The following is an excerpt from the fully convened Mayo Institutional Review Board - Blue dated Friday, September 8, 2000:

Dr. R. L. Bratton

The Board reviewed and unanimously (12-0-1) approved modifications for the protocol entitled "The Benefits of Ionized Wrist Bracelets" from Dr. R. L. Bratton. The modifications involve (1) exclusion of any volunteers who take new medication for joint or muscle pain, (2) removal of the requirement that people play one round of golf per year, (3) informed consent will be obtained under the guidance of the Clinical Studies Unit, and (4) the bracelets will not have any distinguishing marks - the manufacturer will provide the activated and placebo in separate boxes and will disclose the types after the study is completed. Participants who had placebo bracelets during the study will be offered "active" bracelets at the end of the study. The revised patient consent form reflecting the modifications was approved as written.

Barbara L. Porter, Secretary
Institutional Review Boards

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EXHIBIT 5

Hall, Linda J.

From: Tetzlaff, Linda M. (JAX)
Sent: Thursday, October 26, 2000 1:07 PM
To: Hall, Linda J.
Subject: FW:

From: Hanson, Nancy E.
Sent: Wednesday, October 25, 2000 9:42 AM
To: Bratton, Robert L., M.D.
Cc: Tetzlaff, Linda M. (JAX)
Subject:

The following is a revised excerpt from the minutes of the Executive Subcommittee of the Mayo Foundation Institutional Review Boards dated Tuesday, October 17, 2000:

Dr. R. L. Bratton

The Subcommittee reviewed and approved a recruitment advertisement as written for the protocol entitled "The Benefits of Ionized Wrist Bracelets" from Dr. R. L. Bratton. After a telephone discussion with Dr. Bratton, the Subcommittee understood that although informational sessions will be in a large group setting, informed consent will be obtained on a one-to-one basis with personnel approved to obtain and document consent. The Subcommittee approved the addition of 510 additional participants for a total of 610. The Subcommittee approved revisions to the consent form to reflect the total number of participants.

*Sacha A. Nelson, Secretary
Institutional Review Boards*

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EXHIBIT 6

Bratton, Robert L., M.D.

From: Andrew Park DSL [qtp@qray.com]

Sent: Thursday, June 01, 2000 1:39 PM

To: Bratton, Robert L., M.D.

Subject: Q-Ray study

Dear Dr. Bratton,

I have been reported by Lizz that the study was held due to unknown internal reason and will do again within next 4 to 6 weeks period.

I had sent you 70 New Pieces of Q-Ray without any logo as per your request. I wish to see the this new study will proceed accordingly. Thanks again for your effort to continue the study how this one single bracelet can help most Golfer's pain that others can not. Sincerely, Andrew Park

EXHIBIT 7



The Natural Way™

October 6, 2000

Linda Hall
Mayo Clinic Jacksonville
Clinical Studies, Unit 4R
4500 San Pablo Road
Davis Building
Jacksonville, FL 32224

Dear Linda,

This letter is to inform you that the 640 bracelets we sent to your attention on September 26th 2000 for the clinical study are as follows:

	Group B (Activated) Green bag with no sticker	Group A (Placebo) Green bag with dot stickers on the outside
100 small		100 small
190 medium		190 medium
30 large		30 large
TOTALS	320 pcs	320 pcs

As noted above Group "A" with the stickers on the green bag were the placebo bracelets and Group "B" were the activated ionized bracelets.

Sincerely,

Lizz Ciprian
Sales & Marketing Manager

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QT, Inc. 680 Fargo Avenue, Elk Grove Village, IL 60007 USA • Voice: 847-228-1180 • Fax: 847-228-5195, 290-8400 • www.QRAY.com • E-mail: QRAY@QRAY.com

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EXHIBIT 8

20060103 AM Casey Trial Closing

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IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT - CHANCERY DIVISION

4 DONALD E. CASEY, JOHN SCAVO,)
5 DAVID CLARKE, NORMA WAGENER,)
6 LOUIS KANTOR, WHITLEY BEHRENS,)
7 Individually and on behalf of)
8 all others similarly situated,)
9)
10 Plaintiffs,)
11)
vs.) NO. 03 CH 1134
12)
13 QT, INC., an Illinois)
14 corporation, and QUE TE PARK,)
15 Individually,)
16)
17 Defendants.)

Record of proceedings before the Honorable Irwin Solganick, Judge of the Circuit Court of Cook County, Illinois, before Paula Campbell, R.D.R., C.R.R., C.C.P., commencing at 9:30 a.m., taken on Tuesday, January 3, 2006, upon the trial of the above-entitled case.

1 what we were selling, they should have known we were
2 misrepresenting it at this time. It's a
3 preposterous argument.

4 And we are dealing with a product, Your
5 Honor, that their own expert said is no better than
6 a paper clip wrapped around their wrist. This
7 product has no intrinsic worth. And we have given
8 you a lot of damage models. In my opinion they
9 should simply be forced to refund the total amount
10 of which they fraudulently charged people. Thank
11 you, Your Honor.

12 MR. ZIMMERMAN: Your Honor, let me apologize
13 on the Plaintiffs' Exhibits 161, 162 and 163, I
14 overlooked those. I apologize.

15 THE COURT: Now, I've probably spent more time
16 on this case of my own time reviewing testimony,
17 exhibits, briefs submitted by the parties, cases
18 that I haven't had in any other case that I've had
19 in 19 years on the bench, and a couple observations
20 that I have to make about this case.

21 I notice that initially with regard to
22 the evidence here, the marketing was done at trade
23 shows and golf shows, probably because golfers will
24 buy anything that would help their games. Even if

1 there is a new driver that will increase somebody's
2 drive 16 inches, somebody will go out and spend \$500
3 to buy that driver so they can get almost a foot and
4 a half more distance. Golfers will buy just about
5 anything if they think it will help their game.

6 From what I've observed in my
7 experiences in life and what I've observed in cases
8 before me, people who are in pain will try to do
9 almost anything to relieve their pain. With that in
10 mind, I reviewed the evidence in this particular
11 case. And what I really saw in this case was a
12 great scam.

13 Here we have marketing the Q-Ray
14 bracelet and the infomercials, 99 percent of what
15 was contained in the infomercials was directed to
16 relieving pain, or at least in the four infomercials
17 that I was asked to watch. Ninety-nine percent of
18 it was directed towards relieving pain. And the
19 beauty of that scam was that people were told, well,
20 it doesn't work for everybody. So if it doesn't
21 work for you, well, you are one of the, you know,
22 few percent that the bracelet does not relieve pain
23 for. Beautiful scam. However, that's my own
24 perception of what was done, but the plaintiffs

1 other than the state of Illinois, if they occurred
2 in other states. And there is some testimony that
3 there was at least one show in Las Vegas.

4 The bracelets were received by out of
5 state residents in those other states. They were
6 worn by out of state residents in those other
7 states. Those out of state residents in those other
8 states would have known in their own minds whether
9 or not they believed those bracelets worked for them
10 or did not work for them. Those out of state
11 residents would have contacted Q-Ray from those
12 other states with regard to returning the bracelets.
13 The majority of acts would have occurred in the
14 states outside of Illinois.

15 So I really do believe that Avery and
16 Gridley and Price will apply in this particular case
17 to the Illinois Consumer Fraud & Deceptive Practices
18 Act. And if there was a class under that act, it
19 would only be Illinois residents.

20 With regard to the Illinois residents in
21 this particular case, the testimony of those members
22 of the Illinois class, I believe, was totally
23 insufficient to establish the Deceptive Practices
24 Act, although in my mind I believe the actions of

1 Q-Ray were in fact in violation of the act. I don't
2 think it was sufficiently shown by the
3 representatives of the class with regard to the --
4 what they had viewed, when they had viewed it, how
5 they had viewed it in this particular case or
6 whether or not anything that they had viewed was the
7 basis for their purchase. In Mr. Clarke's case it
8 appeared he purchased it based on representations
9 over the telephone and in person at Q-Ray.

10 Then I looked at what damages under
11 the -- for the Illinois class under the act, and the
12 damages were totally inadequate, at least what was
13 shown by the plaintiffs in this case. You know, I
14 initially began doing my own spreadsheet based on
15 those exhibits that Mr. Kimbarovsky had alluded to
16 in his closing argument, and I found that in trying
17 to do that there was certain information that was
18 lacking. One with regard to the sale to wholesalers
19 in those particular years, 2003, 2004, 2005. It
20 wasn't broken down with regard to sales to
21 wholesalers in those particular years in the State
22 of Illinois, and knowing that, because of certain
23 testimony, there was at least evidence that there
24 was some other website other than QT's website that