

### Non-Disclosure / Non-Circumvention / Non-Compete Agreement

This agreement is executed this 10 day of March, 2003, by and between Interarts Productions, Inc., owner of "Zenbear™" properties, and CHARLES GARCIA ("Recipient").

In consideration of the discussions and sharing of information between the parties, and the premises, conditions, covenants and warranties herein contained, the parties agree as follows:

- 1.) Definitions:
  - a) "Confidential Information" shall mean:
    - i) any information disclosed by either party to the other regarding the topics listed in Exhibit A (the "Business Purpose") and specifically identified as confidential at the time of the disclosure; and
    - ii) any other information which the Disclosing Party has identified to the other party in writing as confidential before or concurrent to disclosure.
  - b) "Disclosing Party" shall mean the party disclosing Confidential Information.
  - c) "Receiving Party" shall mean the party receiving disclosure of Confidential Information.
- 2.) Applicability. This Agreement shall apply to all Confidential Information disclosed by one party to the other party.
- 3.) Non-Disclosure Obligation. Each party agrees:
  - a) To hold the other party's Confidential Information in strict confidence;
  - b) To exercise at least the same care in protecting the other Party's Confidential Information from disclosure as the party uses with regard to its own Confidential Information;
  - c) Not to disclose such Confidential Information to third parties, without the express written permission of the Disclosing Party;
  - d) Not to use any Confidential Information for any purpose except for the Business Purpose.
- 4.) Disclosure to Employees. Each party may disclose the other party's Confidential Information to its responsible partners and employees. Each party agrees to cause all partners and employees, including consultants, to conform with the requirements of this Agreement.
- 5.) Non-Confidential Information. Confidential Information shall not include information which:
  - a) Is now or hereafter becomes, through no act or omission on the part of the party receiving the disclosure, generally known or available within the gift or specialty products industry, or is now in or later enters the public domain through no act or omission on the part of the party receiving the disclosure;
  - b) Was previously obtained by or is hereafter rightfully furnished to the Receiving Party by a third party (which did not in turn receive its information from the Disclosing Party), without restriction as to use or disclosure;
  - c) Is information which the Receiving Party can document was independently developed by the Receiving Party;
  - d) Is required to be disclosed pursuant to law, provided the Receiving Party uses Reasonable efforts to give the Disclosing Party reasonable notice of such Required disclosure;
  - e) Is disclosed with the prior written consent of the Disclosing Party.

- 6.) Return of Confidential Information. Upon the Disclosing Party's request, the Receiving Party will promptly return to the Disclosing Party all materials or tangible items containing the Disclosing Party's Confidential Information and all copies thereof.
- 7.) No Grant of Rights. Each party recognizes and agrees that nothing contained in this Agreement will be construed as granting any rights to the Receiving Party, by license or otherwise, to use any of the Disclosing Party's Confidential Information except as specified in this Agreement.
- 8.) Equitable and Legal Relief. Each party acknowledges that all of the Disclosing Party's Confidential Information is owned solely by the Disclosing Party (and/or its licensors) and that the unauthorized disclosure or use of such Confidential Information would cause irreparable harm and significant injury, the degree of which may be difficult to ascertain. Accordingly, each party agrees that the Disclosing Party shall have the right to obtain an immediate injunction from any court of competent jurisdiction enjoining breach of this Agreement and/or disclosure of the Confidential Information. Each party shall also have the right to pursue any other rights or remedies available by law or equity for such a breach.
- 9.) Termination. This Agreement shall remain in effect for 6 months from the date hereof. Renewal is automatic unless otherwise indicated by written notification from either party 30 days before the end of the term.
- 10.) Integration. This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof, and may not be modified or amended except by written agreement executed by the parties hereto.
- 11.) Severability. If any provision of this Agreement is declared to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.
- 12.) Governing Law. This Agreement shall be governed by and subject to the laws of the State of California applicable to agreements made and to be wholly performed therein, without reference to or application of principles of choice of law.
- 13.) Waiver. No waiver by either party, whether express or implied, of any provision of this Agreement shall constitute a continuing waiver of such provision or a waiver of any other provision of this Agreement. No waiver by either party, whether expressed or implied or, of any breach or default by the other party, shall constitute a waiver of any other provision of this agreement.
- 14.) Notice. All notices pertaining to this Agreement shall be sent to the parties at their respective addresses below.

IN WITNESS WHEREOF, the parties have executed this Agreement through their duly authorized representatives on the date set forth above. The parties agree that facsimile copies of this Agreement and signatures thereon shall be binding upon the parties hereto and their assigns.

CONFIRMED AND AGREED TO:

*Terry P. Dunn*  
TERRY DUNN ("DISCLOSING PARTY")

March 10, 2003  
Date

*Charles L. Garcia*  
RECIPIENT

March 10, 2003  
Date

EXHIBIT A

Description of Projects

ZEN-BEAR® children's books.

ZEN-BEAR® animated childrens' television show.

ZEN-BEAR® video banner/bumper/animated logo for Interarts Productions, Inc.'s video programs.

ZEN-BEAR® plush dolls, action figures, and other character-based models and toys.

[www.zen-bear.com](http://www.zen-bear.com) website

[www.taichimania.com](http://www.taichimania.com) website

[www.chikungforhealth.com](http://www.chikungforhealth.com) website