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TRADEMARKS

Under the Franchise Agreement, the Company grants you the right to operate a business under the Licensed Marks which may be identified as an authorized Franchisee or distributor of FRUITFULL[®] brand products. FRUITFULL[®] and HAPPY AND HEALTHY[™] are the Company's "Principal Marks."

The FRUITFULL[®] design logo is a registered trademark (Registration No. 1,859,221, Registration Date October 18, 1994) on the principal register of the United States Patent and Trademark Office ("USPTO") with the Company as registrant.

The mark FRUITFULL[®] is a registered trademark (Registration Nos. 2,044,857 and 2,270,751, Registration Dates March 11, 1997 and August 17, 1999) on the principal register of the USPTO with the Company as registrant.

The Company will timely file all Section 8 and 15 Affidavits for these Principal Marks.

HAPPY AND HEALTHY[™] is a trademark of the Company and has been in continuous and consistent use for ten years on frozen novelties such as frozen fruit bars, frozen yogurt, and ice cream. This is a trademark that the Company has common law and federal trademark rights to pursuant to the United States trademark laws.

There are no currently effective material determinations of the USPTO, Trademark Trial and Appeal Board, the trademark administrator of any state, or any court involving the Principal Mark; nor are there any pending infringement, opposition or cancellation actions or pending material litigation involving the Principal Marks.

There are no agreements currently in effect which significantly limit the Company's rights to use or license the use of the Licensed Marks in a manner material to the franchise.

The Company need not protect your right to use the Licensed Marks and need not protect you against claims of infringement or unfair competition arising out of your use of the Principal Marks.

The Franchise Agreement does not require the Company to take any action against infringements or users. As owner of the Licensed Marks, the Company has the exclusive right to control administrative proceedings or litigation concerning the Licensed Marks.

The Franchise Agreement does not require the Company to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by the Company to you, and the proceeding is resolved unfavorably to you.