

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
PURFOODS, LLC		01/06/2006	LIMITED LIABILITY COMPANY: IOWA

**RECEIVING PARTY DATA**

Name:	Zone Diet at Home, Inc.
Street Address:	245 Avenue U
Internal Address:	2nd Floor
City:	Brooklyn
State/Country:	NEW YORK
Postal Code:	11223
Entity Type:	CORPORATION: NEW YORK

Name:	Z.C.C.A. Corp.
Doing Business As:	DBA ZoneChefs
Street Address:	8982 National Blvd.
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90034
Entity Type:	CORPORATION: CALIFORNIA

**PROPERTY NUMBERS Total: 1**

Property Type	Number	Word Mark
Registration Number:	2835011	ZONE GOURMET

**CORRESPONDENCE DATA**

Fax Number: (516)742-4366  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 516-742-4343  
 Email: intprop@ssmp.com

CH \$40.00 2835011

Correspondent Name: Keith A. Weltsch  
Address Line 1: 400 Garden City Plaza  
Address Line 2: Suite 300  
Address Line 4: Garden City, NEW YORK 11530

ATTORNEY DOCKET NUMBER:	1900/1906
NAME OF SUBMITTER:	Keith A. Weltsch
Signature:	/Keith A. Weltsch/
Date:	02/02/2006

**Total Attachments: 16**

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## AGREEMENT

**THIS AGREEMENT** made and entered into as of this 6th Day of January 2006, by and between Z.C.C.A. Corp d/b/a/ Zone Chefs (hereinafter "ZoneChefs") and Zone Diet at Home, Inc. (hereinafter "ZDAH") with PURFOODS, LLC. (hereinafter "PURFOODS").

**WHEREAS**, ZoneChefs and ZDAH are engaged in business as providers of nutritional food programming, duly qualified to conduct business in the State of New York and elsewhere; and

**WHEREAS**, PURFOODS is engaged in business as a producer of nutritional food programming, duly qualified to conduct business in the State of Iowa and elsewhere;

**WHEREAS**, PURFOODS is desirous of providing certain meals and snacks as well as clients, websites and other described assets and liabilities to ZoneChefs and ZDAH;

**WHEREAS**, ZoneChefs and ZDAH are desirous of receiving said meals and snacks as well as clients, websites and other described assets and liabilities of PURFOODS;

**THEREFORE**, in consideration of the mutual obligations contained herein, the undersigned hereby agree as follows:

1: **PRODUCTION BY PURFOODS**: PURFOODS shall produce Three (3) Meals and Two (2) Snacks per Customer per Day for each referral tendered by ZDAH. Said items will be atmospherically modified by PURFOODS and subsequently shipped from PURFOODS facilities in Seven (7) Day increments in accordance with ZDAH recipes and specifications. PURFOODS warrants and represents that it is capable of producing 100,000 Meals per Week during the first Eight (8) Months of the Agreement and 500,000 Meals per Week thereafter.

2: **ADDITIONAL INSURED DESIGNATION**: PURFOODS will list and maintain Zone Diet At Home, Inc., ZoneChefs and their respective officers, directors, agents and employees as Additional Insureds on a policies of liability insurance in connection with their preparation and tender of the Food Products contemplated herein with said policy providing for a minimum of Three Million Dollars (U.S. \$3,000,000) per occurrence. On written demand, PURFOODS will produce copies of the aforementioned policies to ZoneChefs and/or ZDAH. PURFOODS will provide written notice of the cancellation of any such policies to ZDAH and ZoneChefs within Two (2) Business Days of its receipt.

3: **REFUND REQUESTS**: ZDAH and PURFOODS shall share in equal halves all costs associated with any and all Refund Requests resulting from Food Quality Deficiencies. "Food Quality Deficiency" shall be construed to mean a customer initiated complaint with respect to the food's freshness, taste or quality or failure to tender meals as specified to PURFOODS. Notwithstanding the foregoing, complaints regarding an individual's failure to lose weight shall be the sole and exclusive responsibility of ZDAH.

4: **PRICING AND DISCOUNTS**: Meal Programming will be provided to ZDAH at the cost enumerated in Schedule A hereto. Upon and for so long as Zone Diet At Home maintains 500 Active Clients, this price shall be decreased by 2.5 %. Upon and for so long as Zone Diet At Home maintains 800 Active Clients, this price shall be decreased by an additional 1.5 %. Upon and for so long as Zone Diet At Home maintains 1,000 Active Clients, this price shall be decreased by an additional 2.5 %. Upon and for so long as Zone Diet At Home maintains 1,500 Active Clients, this price shall be decreased by an additional 2.5%. Upon and for so long as Zone Diet At Home maintains 2,000 Active Clients, this price shall be decreased by an additional 2.5%. Upon and for so long as Zone Diet At Home maintains 2,500 Active

Clients, this price shall be decreased by an additional 2.5 %. The applicable Ordering and Payment logistics are specified in Schedule B attached hereto. PURFOODS Handling Costs incurred in connection with Meal (\$0.65) and Snack (\$0.10) Preparation shall be deemed fixed costs and not subject to any of the quantity based discounting referenced above in this Paragraph and shall be charged in addition to food programming as priced in Schedule A attached.

5: **LABELLING:** Accurate labels for all ZDAH meals, snacks and muffins shall be prepared and affixed by PURFOODS. The costs of Labels for ZDAH products shall be apportioned as follows: (a) All U.S.D.A. required labeling including, without limitation, nutritional content and ingredient listings shall be borne by PURFOODS; (b) All cosmetic labeling (i.e. Name and Trademark) shall be borne by ZDAH (c) Any and all costs associated with modification or revision of Labels other than those specified in subsection (a) shall be borne by ZDAH; (d) Any and all costs associated with ZDAH letterhead shall be borne exclusively by ZDAH. In the event one Party incurs any expense on behalf of the other in connection with the above, said expense shall become due and payable to the other Party within Three (3) Business Days of its documentation of such expense to the other Party.

6: **SHELF LIFE WARRANTY:** PURFOODS guarantees that all Meals, Snacks, Muffins, et al. produced hereunder and handled by the customer in accordance with PurFoods' guidelines, will have a minimum Shelf Life of not less than Fourteen (14) Days from the date shipped other than Salads which shall have a Minimum Shelf Life of not less than Ten (10) Days from the date actually shipped. PURFOODS guarantees that such Meals, Snacks, Muffins, Salads, et al. will remain of high quality and fit for human consumption throughout said Shelf Life if handled by the customer in accordance with PurFoods' guidelines.

7: **ASSET SALE AND PURCHASE AGREEMENT:** PURFOODS desires to sell while ZDAH and ZoneChefs desire to buy PURFOODS' Active Zone Client List (Exhibit D), Dormant Zone Client List (Exhibit E) and additional assets listed in Exhibit F for the sum of One Million Five Hundred Thousand Dollars (U.S. \$1,500,000) payable as follows:

(a) One Hundred Thousand Dollars (U.S. \$100,000.00) payable at closing by bank or certified check (comprised of \$75,000 from ZoneChefs and \$25,000 from ZDAH);

(b) A Promissory Note in the amount of U.S. \$1,150,000 (comprised of \$850,000 due from ZoneChefs and \$300,000 due from ZDAH) payable in eighteen (18) consecutive monthly payments of \$63,888.88 and bearing no interest. The Note will contain an acceleration clause providing that the monthly installment will be equal to the greater of (i) \$63,888.88 or (ii) Twenty Percent (20%) of the monthly invoiced amount due to PurFoods from ZDAH. The note will be a joint and several general corporate obligation of ZoneChefs and ZDAH secured by the assets being transferred to ZDAH and Zone Chefs.

(c) A total of U.S. \$150,000 in PURFOODS' Metropolitan LA area forward Zone client food contracts will be assumed by Zone Chefs. Any and all amounts documented as incurred in excess of said amount shall be deducted from the Note paid by Zone Chefs. Any and all unused amounts below said amount will be added to the outstanding note and paid off as the note is paid off.

(d) A total of \$100,000 in PURFOODS National forward Zone client food contracts will be assumed by ZDAH. Any and all amounts documented as incurred in excess of said amount shall be deducted from the Note paid by ZDAH. Any and all unused amounts below said amount will be added to the outstanding note and paid off as note is paid off.

8: **PURFOODS CONFIDENTIALITY WARRANTY:** As part and parcel of PURFOODS inducement for ZDAH and ZoneChefs to enter into this Agreement, PURFOODS agrees it shall aggressively police and maintain the confidentiality of the assets in Exhibits D and E including, without limitation, seek injunctive relief as specified in the Agreement dated 31 October 2004 between PURFOODS with BE Management, Inc. and Everest Odenigbo, the Agreement dated 8 October 2004 between PURFOODS and Hema Foods Services, Inc. and the Agreements between PURFOODS with John Phillips and/or Frank Zambaras precluding the use, disclosure and/or dissemination of PURFOODS customer lists or client pedigree information. Any and all fees incurred to enforce such agreements (including reasonable attorney's fees and court costs) shall be split equally by the Parties (i.e. one half from ZDAH / Zonechefs and the remaining one half from PURFOODS) as incurred. The aforementioned allocation of legal fees shall extend for two (2) years from the execution date of this Agreement. Thereafter any and all legal and associated costs with such endeavors shall be the exclusive responsibility of ZDAH / ZoneChefs.

Should PURFOODS fail to comply with its obligations hereunder, PURFOODS does hereby irrevocably appoint ZoneChefs and/or ZDAH and ZoneChefs and/or ZDAH's designees as PURFOODS attorney in fact to prosecute such claims in PURFOODS own name with any and all expense associated with such endeavors being the sole and exclusive responsibility of PURFOODS with all sums expended by ZDAH and/or ZoneChefs to be withheld from any financial obligations then owing to PURFOODS.

9: **PURFOODS RESTRICTIVE COVENANT:** During the term of this Agreement or any extension hereof, PURFOODS (the "Party" and their "Representatives" as defined in Paragraph 16 herein) shall not be permitted to consult on, nor engage in, the preparation of any other "Zone" restricted dietary food products on its own behalf or on behalf of any Third Party. "Zone Restricted dietary food products" means any Zoned food products that are developed for weight loss or weight control and are marketed as a Zone Diet Product, a Zone Weight Loss Program, or a 40%/30%/30% weight loss program. It is further acknowledged that any breach by PURFOODS of this provision shall cause irreparable harm to ZDAH and ZoneChefs, which harm may not be fully redressed by the payment of damages to it. Accordingly, ZDAH and ZoneChefs shall be entitled, in addition to any other right or remedy they may have, at law or in equity, to seek an injunction, without the posting of any bond or other security, enjoining or restraining any such violation of the provisions of this section. Notwithstanding the foregoing, Purfoods may produce product for other programs which have meals that fall within the 40%/ 30%/ 30% guideline so long as said products are not marketed as a 40%/30%/30% weight loss program, a Zone Diet Product or a Zone Weight Loss Program.

Notwithstanding the foregoing, the restriction on PurFoods described in this Section 9 will immediately expire if: (i) either Zone Chefs or ZDAH defaults on their respective Notes to Purfoods; (ii) either Zone Chefs or ZDAH fails to make timely payments as required herein; or (iii) if at any time after the end of the first quarter of 2006, ZDAH's order volume with PURFOODS drops below a level of 725 clients on a rolling 8 week trailing average with such level to increase at a rate of Ten Percent (10%) per year thereafter; provided, however, if ZDAH's order volume drops below or never reaches such required levels, such restriction will continue for so long as ZDAH pays PURFOODS, in addition to any other amounts owed, the amount of Twelve Dollars (U.S. \$12.00) per day times the number of clients below the required level for each day of such shortfall; provided, further, however, that, should the client shortage continue for more than one hundred twenty (120) consecutive days, Purfoods shall have the option to either (i) continue the premium payment or (ii) elect to stop the premium payment and have such restriction expire. PURFOODS must notify ZDAH and ZoneChefs of its decision in writing with thirty (30) days written notice. If the non-compete restriction is removed, the lists previously purchased by ZDAH and ZoneChefs can be utilized by PurFoods notwithstanding their continued ongoing use by ZDAH and ZoneChefs. For purposes of clarity, should ZDAH fail to reach the required threshold numbers required for non-competition, ZDAH and Zonechefs shall still possess sole and exclusive rights in the Assets enumerated in Exhibit F.

10: **ZDAH / ZONECHEFS RESTRICTIVE COVENANT:** During the term of this agreement and any extensions thereof, ZDAH and ZoneChefs (the "Party" and its "Representatives" as defined in Paragraph 16 herein) shall not be permitted to consult on, nor engage in, the production of atmospherically modified food products. It is further acknowledged that any breach by ZoneChefs of this provision shall cause irreparable harm to PURFOODS, which harm may not be fully redressed by the payment of damages to it. Accordingly, PURFOODS shall be entitled, in addition to any other right or remedy they may have, at law or in equity, to seek an injunction, without the posting of any bond or other security, enjoining or restraining any such violation of the provisions of this section.

During the term of this agreement or any extension hereof, Zone Diet at Home (the "Party" and its "Representatives") will place all active client orders for national modified atmospheric packaged weekly meal programming with Purfoods. For purposes of clarity, atmospherically modified food products shall pertain exclusively to foods produced pursuant to the oxygen/nitrogen gas flushing process. It is understood that frozen meals or meals otherwise acclimated for shipping shall fall outside the parameters of this restriction.

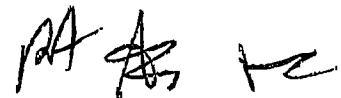
Notwithstanding the foregoing, if PURFOODS defaults on a material obligation in this agreement or otherwise materially breaches this Agreement and such default is uncured, ZDAH and ZoneChefs shall be relieved from these restrictive covenants.

11: **MUTUAL RIGHTS OF INSPECTION:** Once each Quarter, ZDAH and/or ZoneChefs Representatives may visit PURFOODS production facilities upon Seventy-Two (72) Hour written notice to inspect meal preparations of ZDAH meals. Such representatives will not have the right to inspect aspects of PurFoods' operations not directly related to ZDAH's meals. Once each Quarter, PURFOODS Representatives may visit Zone Diet At Home and ZoneChefs marketing facilities upon Seventy-Two (72) Hour written notice to inspect sales practices. Both Parties warrant and represent that no photographs, recordings or written memoranda shall be made during any of the aforementioned visit(s).

12: **TRADEMARKS:** The Parties understand that the "ZONE DIET AT HOME" "ZONBCHEFS" and "PURFOODS" Names, Logos and Trademarks are valuable and agree to use them only in ways authorized and satisfactory to one another. PURFOODS does however hereby agree that ZDAH and ZoneChefs may advertise that its products are U.S.D.A. Certified. It is mutually understood that PURFOODS will place its marks, logos, names and/or tradenames on packaging, food products, shipping containers only as required by applicable U.S.D.A. regulations and never for purposes of solicitation or advertising.

13: **COMPLIANCE:** All Parties shall conduct any and all of their activities in material compliance with any and all applicable Federal, State and Local Laws, Rules and Regulations. PURFOODS hereby represents and warrants that it possesses any and all required licenses (U.S.D.A., et al.) in connection with its preparation and shipping of the meal programming contemplated herein. Each Party agrees to indemnify and hold harmless the other Party from any claim, suit, proceeding, charge, et al. as a result of the other Party's violation thereof. Any actions contrary to such laws, rules and/or regulations shall be construed as a breach of this Agreement and allow the effected Party to pursue any and all available remedies at law and in equity. All Parties specifically warrant that they will not violate or infringe upon the intellectual property rights of any Third Parties in connection with this Agreement.

14: **NO AUTHORIZATION:** No Party, nor any of its employees or agents, will be held out as being authorized to make any contracts, agreements or to represent the other Party except if upon prior written authorization.



15. **ASSIGNMENT:** This Agreement and each party's obligations hereunder are not assignable without the prior written consent of the non-assigning Party. Notwithstanding the foregoing, in the event that a party sells its Company to a Third Party, this Agreement may be assigned to the purchaser without the consent of the other party if, and only if the assignor remains jointly and severally responsible with the assignee for any and all obligations hereunder for the remaining term of the agreement.

16. **CONFIDENTIALITY:** No Party shall disclose any of the other party's Confidential and/or Proprietary Information (as defined herein) in any manner whatsoever, except as required by legal regulatory or administrative authority, and shall hold and maintain said information in strictest confidence. The Parties hereby agree to indemnify each other against any and all losses, damages, claims, expenses, and attorneys' fees incurred or suffered by as a result of a breach of this provision by either Party or its Representatives.

The Parties understand and acknowledge that any disclosure or misappropriation of any of the others Confidential or Proprietary Information in violation of this Agreement will cause irreparable harm, the amount of which may be difficult to ascertain, and therefore agrees that each shall have the right to apply to a court of competent jurisdiction for specific performance and/or an Order restraining and enjoining any such further disclosure or breach and for such other relief as the Court shall deem appropriate. Such right shall be in addition to the remedies otherwise available at law or in equity. The Parties expressly waive the defense that a remedy in damages will be adequate and any requirement in an action for specific performance or injunction for the posting of a bond.

Upon the presentation of any materials (written, electronically or otherwise) to any Party, the receiving Party and its Representatives shall use this Confidential Information solely for the purpose of executing their responsibilities hereunder and shall not in any way use the Confidential Information to the detriment of the other. Nothing in this Agreement shall be construed as granting any rights by license or otherwise to any Party's Confidential Information. Upon termination of the Term herein, the Parties shall return or destroy any and all records, notes, and other written, printed or other tangible materials in their possession referencing Confidential Information to the other Party immediately on written request except such information that may be required to be maintained for regulatory, accounting or tax purposes. For purposes of clarity, the Confidential Information may be utilized by each Party only in those manners specifically authorized in writing by the other Party and this restriction shall survive for a period of eleven (11) years following the term and/or termination of this Agreement.

For purposes of this Agreement, "Confidential Information" shall include, but is not limited to, any and all information of the following or similar nature, whether or not reduced to writing: confidential or proprietary scientific or technical information or data, trade secrets, menus, ingredients, recipes, processes for the preparation, packaging or distribution of products, customer or supplier lists as well as any and all information relating to customers and customer contacts, web-based customer pedigree data, customer development programs, strategic alliances, costs, marketing, promotion, sales activity, financing methods, business plans or the business affairs of either Party generally or of any subsidiary of either Party and any other information or procedures that are treated as or designated secret or confidential by a Party, its officers, customers or potential customers. Confidential Information does not include information that a Party can demonstrate: (a) was in their possession prior to its being furnished to them under the terms of this Agreement, provided the source of that information was not known to be bound by a confidentiality agreement with or other continual, legal or fiduciary obligation of confidentiality; (b) is now, or hereafter becomes, through no act or failure to act on the part of a Party, generally known to the public; (c) is rightfully obtained from a Third Party, without breach of any obligation; or (d) is independently developed without use of or reference to the Confidential Information.

For purposes of this Agreement, the term "Party" shall include the Parties individually as well as all affiliates, subsidiaries, and related companies. For purposes of this Agreement, the term

"Representative(s)" shall include the Party's directors, officers, employees, agents, and financial, legal, and other advisors.

17: **FURTHER ASSURANCES:** ZDAH will negotiate with PURFOODS for terms by which PURFOODS could become (i) the exclusive supplier of FroZone meals to ZDAH and (ii) the exclusive supplier of ZoneSnacks. It shall be a necessary prerequisite to such transactions that mutually agreeable terms be agreed upon by all Parties.

PURFOODS shall make available at its own cost a Sales Manager for a reasonable transition period no less than 60 days and no longer than 3 months in furtherance of the Parties intention to reasonably cooperate for an orderly transition of customers. This includes, Zone Chefs resumption of the responsibilities undertaken by HEMA Foods and B E Management's in providing Zone Daily meals for Zone Nation's current Metropolitan LA area daily customers at ZDAH cost as provided for in Paragraph 7(c) on no less than Ten (10) Days written notice from PURFOODS.

PURFOODS shall forward to ZDAH and/or ZoneChefs any and all potential customers which have expressed interest in national or daily delivery subsequent to closing so long as ZDAH and ZoneChefs are not in breach of this Agreement.

PURFOODS shall provide copies of their contracts with Frank Zambaras and John Phillips at closing as well as copies of any and all severance agreements negotiated with Hema Foods, BE Management and/or Everest Odenigbo, Frank Zambaras and/or John Phillips within five (5) days of their execution of same.

PURFOODS may, at its discretion, provide ZDAH and ZoneChefs with an opportunity to match any Third Party offer to market and promote PURFOODS' line of (i) low glycemic product and (ii) Atkins product. PURFOODS shall tender said offer in writing to ZDAH and ZoneChefs for consideration. ZoneChefs and/or ZDAH shall thereafter possess twenty (20) days to match said offer by providing a deal memorandum encompassing all material terms of the prior Third Party offer.

18. **ENTIRE UNDERSTANDING:** This Agreement expresses the full and complete understanding of the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous proposals, agreements, representations and understandings, whether written or oral, with respect to the subject matter. This Agreement is not, however, to limit any rights that any Party may have under trade secret, copyright, patent or other laws that may be available. This Agreement may not be amended or modified except in writing signed by each of the parties to the Agreement. This Agreement shall be construed as to its fair meaning and not strictly for or against any Party.

19. **FEES AND COSTS:** If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reimbursement for reasonable attorneys' fees as well as any and all costs.

20. **VENUE AND FORUM:** The Parties agree that upon any breach by ZDAH and ZoneChefs, PURFOODS may seek equitable and/or legal relief under this Agreement before the State and/or Federal Courts of Iowa. ZDAH and ZoneChefs hereby consent to the jurisdiction of said forum and venue in such instances. The Parties further agree that upon any breach by PURFOODS, ZDAH and/or ZoneChefs may seek equitable and/or legal relief under this Agreement before the State and/or Federal Courts of New York. PURFOODS hereby consents to the jurisdiction of said forum and venue in such instances.

21. **NOTICES:** Notices under this Agreement will be considered made if mail is sent Certified, Registered or Overnight Courier to the following addresses:



If to ZDAH or ZoneChefs: c/o Michael Utilla, Esq., 26 Court Street, Suite 2810, Brooklyn, New York 11242

with a copy to: Nick Zazza, 245 Avenue U, Brooklyn, New York

If to PURFOODS: c/o Rick Anderson, 718 S.E. Shurfine Drive, Ankeny, Iowa 50021

with a copy to:

22. **COUNTERPARTS:** This Agreement may be signed in counterparts, which together shall constitute one agreement.

23. **TERM:** The Term of this Agreement shall be for a period of six (6) Years from its execution date. Thereafter, this Agreement shall renew for successive Three (3) Year periods unless either Party provides a written notice of non-renewal to the other Party not less than One Hundred and Eighty (180) days before the end of the applicable term.

24. **MUTUAL RESTRICTIVE COVENANT:** During the Term of this Agreement and an additional One (1) Year thereafter, PURFOODS will not engage the services of any former Representative (as defined in Paragraph 16 herein) of ZDAH and/or ZoneChefs in any capacity whatsoever absent ZDAH and ZoneChefs prior written consent. During the Term of this Agreement and an additional One (1) Year thereafter, ZDAH and/or ZoneChefs will not engage the services of any former Representative (as defined in Paragraph 16 herein) of PURFOODS in any capacity whatsoever absent PURFOODS prior written consent.

25. **CONSTRUCTION:** If any clause, sentence, paragraph or part of this Agreement shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect the remainder of this Agreement, which shall continue in full force and effect but such judgment shall be limited and confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered.

26. **TERMINATION:** This Agreement may be terminated as follows:

- a) Either Party may terminate this Agreement if the other party materially breaches its obligations hereunder and such breach remains uncured for Ten (10) Days following written notice to the breaching party of the breach. The only exceptions to the Ten (10) Day rule are Note payment default, and/or a breach of the provisions of Paragraph 2, 9, 10, 14 and 16 herein and above which have no cure period.
- b) By mutual agreement between the Parties in writing.
- c) Either Party may terminate this Agreement, at any time, by written notice, in the event that the other Party files a voluntary petition in bankruptcy or under any similar insolvency law; or a receiver is appointed for, or a levy or attachment is made against, substantially all of its assets, if any such petition is not dismissed or such receiver or levy or attachment is not discharged within Sixty (60) Days after the filing or appointment.

27. **ADDITIONAL INDEMNIFICATION:** Each Party agrees to indemnify and hold harmless the other Party from any claim, suit, proceeding, charge, et al. as a result of the other Party's violation of any provision herein including, without limitation, any and all costs and fees incurred in connection therewith. For purposes of clarity with respect to the assets transferred in Exhibit F, any and all claims arising from the use and/or non-use of said assets up to and including the closing date of this transaction shall be the sole

Schedule A - Pricing

For purposes of this agreement pricing as defined for this Schedule A shall be the same as what is currently being charged to ZDAH as of 12-09-05 by PURFOODS.

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*Handwritten initials/signature*

**Schedule B - Order and Payment Logistics for ZDAH Products:**

**I) Projected Shipping Inventory**

- (A) Once per Week ZDAH will place an Order for a Projected Inventory of items that are to be used as items for shipping Seven (7) to Nine (9) Days later. This Standing Inventory includes start-up, long term, and restart clients. PURFOODS will receive this inventory order electronically and immediately check said order for accuracy.
- (B) Each week by noon Central Time on Friday, Sunday, Monday, and Tuesday, ZDAH will place its Actual Shipping Orders for its client shipments electronically. These shipments will be pulled by PURFOODS from the ordered standing inventory as described herein.
- (C) Upon receipt of these Actual Shipping Orders, PURFOODS will immediately generate an Invoice for this order and fax and email it to ZDAH.
- (D) ZDAH will make payment for this Invoice by Wire Deposit into a PURFOODS account within 24 Hours of ZDAH receipt of Invoice. ZDAH shall pay PURFOODS for Meals pursuant to the pricing schedule set forth on Schedule A hereto. No meal preparation will begin until PURFOODS has received confirmation of tender of payment to their designated financial institution. It is understood that until payment is made PURFOODS assumes no responsibility for time line and shipping dates.
- (E) ZDAH understands that in order to have their meals shipped on time, there is a related series of events (ingredient ordering, ingredient receiving, food preparation, packaging, and inventory pull) prior to being able to ship on a timely basis. Delay of payment will delay this entire timeline and hence the final shipping dates for its clients. Hence, ZDAH is responsible for late shipping if, and only if, ZDAH is late with their order placement and/or payment. Only after timely order placement and payment does PURFOODS assume all timeline responsibility for shipment of ZDAH client orders.

**II) Ending Inventory**

At the end of each shipping cycle, any remaining inventory items will be either: (a) used to reduce the next shipping cycle inventory; (b) shipped to ZDAH in bulk at ZDAH expense; or (c) taken to local tax credit centers at ZDAH discretion. PURFOODS will advise ZDAH if any product is too old to "rollover" to next its inventory (i.e. Salads may not be rolled over).

**III) Additional Projections**

ZDAH shall provide PURFOODS with Weekly and Monthly Projections estimating anticipated future business. It is however understood that such Projections are forward looking statements and, as such, are completely non-binding in nature and do not represent a request for Standing Inventory nor services upon which any reliance by PURFOODS may be based.

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**EXHIBIT C - BILL OF SALE AND ASSIGNMENT**

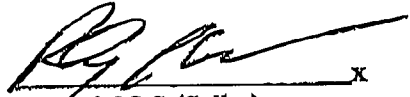
The undersigned Seller hereby represents and warrants that they are duly authorized to transfer and convey marketable title to Buyer in the Seller's Assets enumerated in Exhibit D, E and F, that the Assets enumerated in Exhibit D, E and F are owned free and clear of any and all liens, claims, charges, mortgages, and/or encumbrances of any kind or nature and that there are no and have been no contracts, administrative charges, and/or lawsuits pending or affecting the Assets enumerated in Exhibit D, E and F. The Seller agrees to indemnify and hold harmless the Buyer from any and all claims, suits, proceedings, charges, et al. as a result of the Seller's alleged misrepresentation thereof.


The undersigned Seller further represents and warrants that they will not violate or infringe upon the intellectual property rights of any Third Parties in connection with their provision of the Assets enumerated in Exhibit D, E and F and that any and all customer names, related information, lists being provided and websites are being acquired exclusively by the Buyer and will at all times henceforth be the exclusive intellectual property of the Buyer. For purposes of clarity, the Seller shall not be permitted to ever utilize such items in any capacity whatsoever in the future nor shall Seller be entitled to transfer, sell or assign (gratuitously or otherwise) said information to any Third Parties at any time in the future. Any actions contrary to such representation shall be construed as a material breach of this Agreement and allow the Buyer to pursue any and all available remedies at law and in equity.

Any breach by the Seller of these provisions shall cause irreparable harm to the Buyer, which harm may not be fully redressed by the payment of damages to it. Accordingly, the Buyer shall be entitled, in addition to any other right or remedy they may have, at law or in equity, to seek an injunction, without the posting of any bond or other security, enjoining or restraining any such violation of the provisions of this section.

It is understood nothing in this Agreement creates or constitutes any partnership, joint venture, agency, franchise, sales representative, employment relationship, et al. between the Parties.


*IN WITNESS WHEREOF, the Seller has caused this Bill of Sale and Assignment Agreement to be duly executed on the date first above written.*

  
PURFOODS (Seller)  
By: Rick L. Anderson  
Its: President

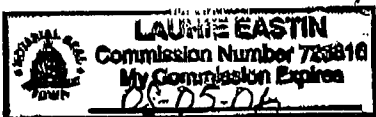
  
Z.C.C.A. Corp (Buyer)  
By: Arthur V. Gunning  
Its: CEO

Sworn to before me this  
30th Day of January 2006


Sworn to before me this  
6th Day of January 2006

  
Notary Public

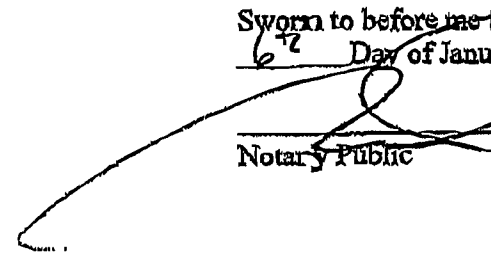
  
Notary Public




MICHAEL UTILLA  
Notary Public, State of New York  
No. 0207506561  
Qualified in Kings County  
Certificate Filed in New York County  
Commission Expires September 8, 2006

  
\_\_\_\_\_  
Zone Diet At Home, Inc. (Buyer)  
By: NICHOLAS ZAZZA  
Its: PRESIDENT

Sworn to before me this  
6<sup>th</sup> Day of January 2006

  
\_\_\_\_\_  
Notary Public

MICHAEL UTILLA  
Notary Public, State of New York  
No. 02UT808801  
Qualified in Kings County  
Certificate Filed in New York County  
Commission Expires September 8, 20 06


**EXHIBIT D - ACTIVE CLIENT LIST**

A) PURFOODS warrants and represents that it possesses a minimum of Four Hundred (400) Metropolitan L.A. Active Zone Fresh Food Clients with said number representing the average daily active client twelve (12) months or the last Quarter of 2005 (whichever is greater) as will be corroborated by reports provided by PUR FOODS to ZoneChefs at closing:

PUR FOODS client data base transfer shall be complete with all necessary information, including any client notes, and software and shall enable ZoneChefs to verify client counts.

B) PURFOODS warrants and represents that it possesses a minimum of Two Hundred (200) Zone National Active MAP Clients with said number representing the average daily client count for the last six (6) months or the last Quarter of 2005 (whichever is greater) as will be corroborated by reports provided by PUR FOODS to ZDAH at closing:

PUR FOODS client data base transfer shall be complete with all necessary information, including any client notes and software and shall enable ZDAH to verify client counts.

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**EXHIBIT E - DORMANT CLIENT LIST**

- A) PURFOODS warrants and represents that it possesses a minimum of thirty five thousand (35,000) Metropolitan L.A. Dormant Fresh Food Clients as follows:

PUR FOODS client data base transfer shall be complete with all necessary information, including any client notes and software and shall enable ZDAH to verify client counts.

- B) PURFOODS warrants and represents that it possesses a minimum of nine thousand (9,000) National Dormant MAP Clients as follows:

PUR FOODS client data base transfer shall be complete with all necessary information, including any client notes and software and shall enable ZDAH to verify client counts.

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**EXHIBIT F - WEBSITES / TELEPHONE NUMBERS / ET AL.**

- Zone Nation website ([www.zonenation.com](http://www.zonenation.com)) and source code;
- Zone Gourmet website ([www.zonegourmet.com](http://www.zonegourmet.com)) and source code;
- The Mark ZoneNation which has not been filed with the U.S.P.T.O. but PURFOODS possesses common law rights of usage which shall inure to the benefit of ZoneChefs and ZDAH;
- The Trademark Zone Gourmet (U.S.P.T.O. Serial Numbers 76322171 and 76322170 and Registration Number 2835011);
- Any and all logos associated with the above referenced marks;
- The following phone numbers which represent any and all numbers utilized directly or listed publicly as part of the Zone Nation and/or Zone Gourmet advertising programs during the past 3 years (provided that Purfoods still owns said numbers) in connection with the provision of Zone National and Zone fresh food delivery:

**Zone Nation & Zone Gourmet Toll Free Numbers**

(800)291-7454	
(800)343-8034	(800)DIET-034
(800)343-8036	(800)DIET-036
(800)343-8039	(800)DIET-039
(800)343-8043	(800)DIET-043
(800)343-8134	(800)DIET-134
(800)343-8555	(800)DIET-555
(800)343-8747	(800)DIET-747
(800)373-9183	
(800)689-4047	
(866)966-3343	(866)ZONE-DIET
(877)476-7334	
(877)966-3669	(877)ZONE-669
(888)296-6325	(888)296-MEAL
(888)299-5673	
(888)316-3257	(888)31-MEALS
(888)343-8030	(888)DIET-030

- Any and all software licenses , including client database programming as needed; with the exception of operational call center software;
- All programming and databases used in connection with the operation of the above referenced businesses;
- Any and all technical support warranties;

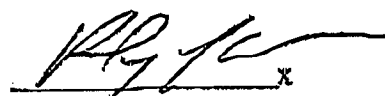


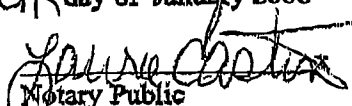
**EXHIBIT G- AFFIDAVIT**

STATE OF IOWA )  
 ) ss:  
COUNTY OF POLK )

*Rickey L. Anderson, being duly sworn deposes and states under penalties of perjury the following:*

1. I am the President of PURFOODS; and
2. The Client Lists attached hereto as Exhibit D and E are free and clear of any and all liens, claims, charges, mortgages, and/or encumbrances of any kind or nature and the client counts are accurate. The assets listed in Exhibit F are similarly free and clear of any and all liens, claims, charges, mortgages, and/or encumbrances of any kind or nature.
3. There are no, and have been no, contracts, administrative charges, and/or lawsuits pending or affecting the items in Exhibit D, E and/or F.
4. The lists in Exhibit D and E constitute a Trade Secret and/or Confidential Information exclusively to PURFOODS and no other Party can claim any right to possession or ownership of same. The assets in Exhibit F are owned exclusively by PURFOODS and no other Party can claim any right to possession or ownership of same.

  
\_\_\_\_\_  
Rickey L. Anderson


Sworn to before me this  
30th day of January 2006  
  
Notary Public





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*AZ*

and exclusive responsibility of PURFOODS. Any and all claims arising from the use and/or non-use of said assets after the closing date of this transaction shall be the sole and exclusive responsibility of ZDAH and/or Zonechefs so long as said claim(s) do not represent a breach of PURFOODS' warranties as articulated herein.

28. **INCORPORATION BY REFERENCE:** The Parties agree that Schedules A through G attached hereto are hereby fully incorporated into this Agreement as if fully set forth herein and above.

  
PURFOODS  
By: Ryan Anderson  
Its: President  
Date: 1-6-06

  
Z.C.C.A. Corp. d/b/a ZoneChefs  
By: Jeffrey Manning  
Its: CEO  
Date: 1-5-06

  
Zone Diet At Home, Inc.  
By: NICHOLAS ZAZZA  
Its: PRESIDENT  
Date: 1-05-06

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