

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 26, 1997

HERSHEY FOODS CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	I-183	23-0691590
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(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 Crystal A Drive, Hershey, Pennsylvania	17033
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(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (717) 534-6799

INFORMATION TO BE INCLUDED IN REPORT

Item 5. OTHER EVENTS

On December 30, 1996 Hershey Foods Corporation announced the acquisition of the Leaf North American confectionery business from Huhtamaki Oy. This event was reported on a Form 8-K dated December 30, 1996. As part of that transaction, Hershey entered into a Trademark and Technology License dated December 30, 1996 pursuant to which Hershey will have the right to manufacture, market and distribute products under certain Huhtamaki trademarks in North, Central and South America. A copy of the License is attached hereto as Exhibit 10.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: February 26, 1997

HERSHEY FOODS CORPORATION

By _____
Robert M. Reese
Vice President, General Counsel
and Secretary

Exhibit Index

Exhibit No.

Description

10	Trademark and Technology License dated December 30, 1996 between Hershey Foods Corporation and Huhtamaki Oy.
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NOTE: A LETTER DATED FEBRUARY 26, 1997, REQUESTING CONFIDENTIAL TREATMENT OF CERTAIN INFORMATION CONTAINED HEREIN HAS BEEN FILED WITH THE SECRETARY OF THE SECURITIES AND EXCHANGE COMMISSION. INFORMATION FOR WHICH SUCH REQUEST WAS MADE HAS BEEN DELETED FROM THIS FILING. PLACES WHERE INFORMATION HAS BEEN DELETED ARE MARKED AS FOLLOWS: [CONFIDENTIAL INFORMATION DELETED].

TRADEMARK AND TECHNOLOGY LICENSE AGREEMENT

THIS AGREEMENT (the "Agreement"), made and entered into as of the 30th day of December, 1996 (the "Effective Date"), by and between HUHTAMAKI FINANCE B.V., a Dutch corporation, with its principal place of business at Burgemeester Rijnderslaan 26, P.O. Box 49, 1180 AA Amstelveen, The Netherlands (the "Licensor") and HOMESTEAD, INC., a Delaware corporation, with its principal place of business at 111 Continental Drive, Suite 309, Newark, DE 19713 (the "Licensee").

WHEREAS, this Agreement is made pursuant to, and is attached as an Exhibit to, that certain Stock Purchase and Sale Agreement (the "Purchase Agreement") dated as of November 23, 1996 by and among Huhtamaki Oy (a Finnish corporation and the parent of Licensor), Licensor, Hershey Holding Corporation (a Delaware corporation and the parent of Licensee) and Hershey Foods Corporation (a Delaware corporation and a second tier parent of Licensee);

WHEREAS, Licensor owns the Trademarks (as hereinafter defined), and any registrations and applications therefor, used in connection with the manufacture and sale of confectionery and other products in the Territory (as hereinafter defined) and with which goodwill of substantial value is associated;

WHEREAS, in connection with the consummation of the transactions contemplated by the Purchase Agreement, Licensor is desirous to grant and Licensee is desirous of being granted an exclusive license for the production, manufacture, marketing, advertising, promotion, sale and distribution in the Territory of Products (as hereinafter defined); and

WHEREAS, in connection with the consummation of the transactions contemplated by the Purchase Agreement, Licensee desires to acquire the right to use certain technology and technical expertise of Licensor and its Affiliates;

NOW, THEREFORE, in consideration of the foregoing and of the covenants and agreements contained herein, and for other good and valuable

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consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1

DEFINITIONS

1.1. The following capitalized terms shall have the following meanings wherever used in this Agreement:

(a) "Affiliate" of any particular Person means any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise.

(b) "Annual Period" means each twelve (12) calendar month period beginning on January 1 and ending on the subsequent December 31 during the term of this Agreement (except in the case of the first Annual Period which shall begin on the date hereof and end on December 31, 1997 and in the case of the last Annual Period which shall end upon the date of termination or expiration of this Agreement).

(c) "Net Sales" means (i) the sales of Products under the Trademarks invoiced to third parties by Licensee or invoiced to third parties by any sublicensed Affiliate of Licensee less any value added, general sales and similar taxes (to the extent included in the invoiced price), sales rebates and discounts, including rebates, commissions to wholesalers and premiums, other price reductions and payments to customers, rebates to customers for price differences and returns, provisions for price reductions and trade discounts; plus (ii) the sales of confectionery Products (which shall not include any sales of products, such as ice cream or cookies for example, in which any such confectionery Product is an ingredient) under the Trademarks invoiced to third parties by any third party sublicensee of Licensee or invoiced to third parties by any third party sublicensee of any sublicensed Affiliate of Licensee less any value added, general sales and similar taxes (to the extent included in the invoiced price), sales rebates and discounts, including rebates, commissions to wholesalers and premiums, other price reductions and payments to customers, rebates to customers for price differences and returns, provisions for price reductions and trade discounts; plus (iii) the royalties or other equivalent payments received by Licensee or any sublicensed Affiliate of Licensee from any third party sublicensee for sales of non-confectionery Products under the Trademarks (which shall include any royalties or other equivalent payments for sales of products, such as ice cream or cookies, for example, in which any

confectionery Product is an ingredient but only if and to the extent such royalties or other equivalent payments relate to or are based upon the inclusion of the confectionery Product in such products). If any of the Products covered by clause (i) or the confectionery Products covered by clause (ii) above are sold in a manner (such as a package of assorted candies for example) in which a separate price for the Product or confectionery Product, as the case may be, is not established, then the amount of sales to be included in Net Sales shall be calculated on the basis of the Product's or confectionery Product's proportionate weight or value, as appropriate in the circumstances.

(d) "Patent Rights" means all patents and patent applications owned by or registered in the name of Licensor as of the Effective Date that prior to the Effective Date were used in, or that otherwise relate to, the production, manufacture, use, sale, distribution or composition of the Products, as set forth in SCHEDULE B-1 hereto.

(e) "Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

(f) "Products" means:

(i) the products marketed and sold as of the Effective Date in the Territory by Licensor or any pre-Effective Date Affiliate of Licensor which bear or are distributed or sold under any of the Trademarks; and

(ii) any product or service in connection with which any of the Trademarks is used and which is added to this Agreement by Licensee in accordance with SECTION 2.3.

(g) "Technical Information" means the Intellectual Property (as defined in the Purchase Agreement and other than the Trademarks), including that set out in SCHEDULE B-2 hereto, which is owned by or registered in the name of Licensor as of the Effective Date and which prior to the Effective Date was used in, or which otherwise relates to, the conception, development, production, manufacture, sale or distribution of the Products, including but not limited to the following: ingredients composition and recipes; formulae; standards for raw materials, packaging and labeling; quality control standards; and processes and technical descriptions for the transformation of raw materials into finished products.

(h) "Territory" means North America (including without limitation, the United States of America, Canada and Mexico and each of their possessions, territories and dependencies, including without limitation the Commonwealth of Puerto Rico, Guam, the U.S. Virgin Islands and American Samoa), the Caribbean, Central America and South America, and all government and military establishments and installations thereof wherever located worldwide provided the sale of Products first occurs in North America (as defined above), the Caribbean, Central America or South America. The Territory shall further include all duty free shops located in North America (as defined above), the Caribbean, Central America and South America.

(i) "Trade Dress" means the labels, packaging, and related associated materials, including designs and colors, and copyrights (including those set forth on SCHEDULE A), heretofore used in the Territory by Licensor or any of its pre-Effective Date Affiliates in connection with or heretofore relating to the Products and any modifications, variations or extensions thereof.

(j) "Trademarks" means the trademarks set out in SCHEDULE A including any and all registrations and applications for registration thereof, goodwill associated therewith and common law and all other rights appertaining thereto throughout the Territory and any modifications, variations or extensions thereof, and the Trade Dress associated therewith.

ARTICLE 2

GRANT OF RIGHTS

2.1. GRANT OF TRADEMARK LICENSE. The Licensor (for itself and its Affiliates) does hereby grant to the Licensee, and the Licensee accepts, the exclusive (even as to Licensor and its Affiliates) authority, right and license to produce, market, advertise, promote, sell, distribute or offer for sale the Products under the Trademarks in the Territory and to use the Trademarks as trade names in connection therewith. This exclusive grant to Licensee shall preclude each of the Licensor and its Affiliates from producing, marketing, advertising, promoting, selling, distributing or offering for sale any product or service in the Territory under a trademark that is the same as or confusingly similar to any of the Trademarks. Except as permitted in accordance with SECTION 3.3(b) hereof, Licensee acknowledges that absent Licensor's express written consent, Licensee shall have no right to, and no right to authorize others to, use and Licensee agrees not to so use or authorize others to so use any trademarks that are the same as or confusingly similar to the Trademarks outside of the Territory. The parties acknowledge that the distribution or transmission of print and electronic media pursuant to which the Products may be marketed, advertised, promoted or offered cannot be controlled in all cases, and neither party shall be responsible

for the effects of such distribution or transmission provided as regards Licensee such media originates within the Territory and as regards Licensor such media originates outside of the Territory.

2.2. GOODWILL. The use of the Trademarks by Licensee and any of its sublicensees and the goodwill associated therewith shall enure solely to the benefit of the Licensor.

2.3. EXPANSION OF TRADEMARK USE BY LICENSEE. (a) The Licensee shall have the absolute and unconditional right, subject only to the limitations imposed by any of the license or limitation agreements referred to on SCHEDULE A, to use in any jurisdiction within the Territory any of the Trademarks in any way in connection with the manufacturing, marketing, advertising, promoting, selling, distributing or offering for sale of any product or service in addition to those specified in SECTION 1.1(f)(i). In the event of such use of a Trademark, such product or service shall thereupon become a Product as provided for in SECTION 1.1(f)(ii) and be subject to the terms and conditions of this Agreement, including but not limited to ARTICLE 4 and 5 HEREOF, but only when such product or service bears or has a Trademark used in connection with it and solely with respect to the jurisdiction or jurisdictions in which such use of the Trademark occurs.

(b) Licensee may request that Licensor grant Licensee the right to produce, market, advertise, promote, sell, distribute or offer for sale products in countries outside the Territory under one or more trademarks that are the same as or confusingly similar to the Trademarks. In such event, Licensor shall enter into good faith negotiations with Licensee regarding a license for such additional country or countries on terms and conditions mutually acceptable to Licensor and Licensee.

2.4. GRANT OF LICENSE TO TECHNICAL INFORMATION AND PATENT RIGHTS. Subject to the terms and conditions of this Agreement, Licensor (for itself and its Affiliates) hereby grants to Licensee, to the extent Licensor or its Affiliates has the right to do so, the following rights: (a) an exclusive license (even as to Licensor and its Affiliates) to use the Technical Information and the Patent Rights in the Territory; and (b) a non-exclusive license to use the Technical Information outside the Territory, in each case without restriction as to use thereof by Licensee and its Affiliates in the conduct of any and all aspects of their respective businesses. To the extent necessary, Licensor agrees to obtain, at its expense, for use by Licensee the aforesaid rights from Licensor's Affiliates. Licensee shall at its expense maintain the Patent Rights.

2.5. TECHNICAL ASSISTANCE. (a) During the term of this Agreement,

Licensors and its Affiliates shall, upon the reasonable request of Licensee or its Affiliates, and subject to the availability of personnel and other resources, make available to Licensee and its Affiliates the technical services of Licensors' and its Affiliates' personnel to advise Licensee and its Affiliates in the manufacture and marketing of the Products.

(b) Included in such technical services shall be the following:

- (i) technical instruction and consulting with Licensee's and its Affiliates' personnel with regard to manufacturing the Products;
- (ii) inspections and visits; and
- (iii) qualitative analysis.

(c) Technical assistance shall also include, but is not limited to, communicating information, advice and proposals with regard to details of the manufacturing processes and techniques for the Products, advice as to premises, purchase of machinery, installation of machinery, conditioning of premises, warehousing, purchasing of raw materials, transportation, packaging, shelf life, quality assurance and the like.

2.6. CONTINUED USE OF PATENT RIGHTS AND TECHNICAL INFORMATION. In the event of any termination of this Agreement, Licensee's rights hereunder with respect to the Patent Rights and Technical Information shall continue in full force and effect and shall not be impaired or diminished, except that Licensee's rights with respect to the use of the Patent Rights and Technical Information in the Territory shall thereafter become non-exclusive.

2.7. NO INFRINGEMENT. Licensors (for itself and its Affiliates) represents and warrants that the Technical Information and Patent Rights comprise all such information and patents used heretofore by Licensors or any of its pre-Effective Date Affiliates in connection with the development, production, manufacture, distribution and sale of the Products in the Territory and that to its knowledge the Technical Information and Patent Rights do not infringe or misappropriate the intellectual property rights of any third party.

2.8. BANKRUPTCY OR INSOLVENCY. (a) The rights granted to Licensee and its Affiliates under this Agreement are, and shall otherwise be deemed to be, for the purposes of Section 365(n) of the Bankruptcy Code, a license of "intellectual property" rights as defined in Section 101(35A) of the Bankruptcy Code. Licensee, as licensee of rights under this Agreement, may fully exercise all of

its rights for itself and on behalf of its Affiliates under the Bankruptcy Code, including, but not limited to, Licensee's rights to continue to exercise its rights licensed hereunder.

(b) Licensor hereby grants to Licensee a first priority security interest in the Trademarks, Patent Rights and Technical Information, together with all good will associated therewith, to secure performance by Licensor of its obligations under this Agreement. Licensor shall cooperate and assist Licensee with the execution and filing of all documents necessary to perfect and record such grant of security interest in the Territory, including without limitation, filings in the United States Patent and Trademark Office, all of the expenses associated therewith being for the account of Licensee. Notwithstanding the foregoing, no security interest is granted under this Agreement in any Trademark, Patent Right or Technical Information in any part of the Territory where such grant would harm the validity of any such Trademark, Patent Right or Technical Information. Licensee agrees that it will, at its expense, (i) terminate all security interests in the Trademarks, if this Agreement is terminated by Licensee pursuant to the provisions of SECTION 7.1 or if this Agreement is terminated pursuant to the provisions of SECTION 8.1(b), and (ii) terminate all security interests in the Xylifresh and Storm Mint Trademarks in the event this Agreement is deemed to be terminated with regard to said Trademarks pursuant to the provisions of SECTION 5.1. Licensee further agrees that in the event this Agreement and the Trademarks, Patent Rights and Technical Information are assigned by Licensor pursuant to the provisions of SECTION 10.3, Licensee will release its security interest vis-a-vis Licensor provided that Licensor and such assignee have previously taken all reasonable steps necessary, at Licensee's expense, to put Licensee in the same secured position with respect to the Trademarks, Patent Rights and Technical Information as Licensee was in prior to any such assignment and Licensee further agrees to cooperate and assist Licensor and such assignee in that regard.

ARTICLE 3

VALIDITY AND MAINTENANCE OF TRADEMARKS

3.1. REPRESENTATIONS AND WARRANTIES AS TO TRADEMARKS. As to the Trademarks, Licensor represents and warrants to Licensee that as of the Effective Date:

- (i) Licensor is the sole and exclusive owner of the entire right, title and interest in and to the Trademarks, with full right to enter into this Agreement;
- (ii) The Trademarks do not infringe upon any registered or common

law trademarks in the Territory and, to the knowledge of Licensor, do not infringe or misappropriate any other proprietary rights of any third parties;

- (iii) There are not now pending or threatened any claims or litigation and to the best of Licensor's knowledge, information and belief no basis for any such claims exist, which would affect the Trademarks;
- (iv) Except as set forth on SCHEDULE A, Licensor has granted no other right or license permitting the use in the Territory of the Trademarks; and
- (v) To the extent so identified in SCHEDULE A each of the Trademarks is duly registered with the appropriate government agencies in each country in the Territory indicated on SCHEDULE A with respect thereto and the rights therein have not been abandoned.

3.2. NOTICE OF INFRINGEMENT AND PROTECTION OF TRADEMARKS. Each of the parties hereto agrees to give the other party written notice of any actual or threatened infringement of the Trademarks by a third party in the Territory, promptly after information with respect to such infringement or threatened infringement comes to its attention. Licensee is hereby given the right, but not the obligation, to bring suit or take other action to eliminate such infringement or threatened infringement at its own expense in the name of itself, Licensor or both itself and Licensor, provided that Licensee shall provide prior notice to Licensor when bringing suit or taking other action in the name of Licensor or both itself and Licensor, and provided further that Licensee shall notify Licensor promptly after bringing suit or taking other action in its own name. Licensee shall not obligate Licensor for, or shall indemnify Licensor against, any costs, expenses, attorneys' fees or other obligations in connection with any such action or proceeding. Further, Licensor shall cooperate with Licensee at Licensee's expense in connection with any such action or proceeding. Any damages recovered in any such action or proceeding, less all court costs and other expenses, including expenses incurred by Licensor, shall be for the account of Licensee. If, after learning of an infringement of the Trademarks in the Territory, Licensee chooses not to bring suit against such infringer or take other action to eliminate such infringement or threatened infringement, Licensor shall have the right but not the obligation to bring an action against such infringer at its own expense and any final award or settlement resulting therefrom shall be for the account of Licensor.

3.3. MAINTENANCE OF TRADEMARKS. (a) Licensee, at its own expense, shall have primary responsibility for the maintenance of all registrations of the Trademarks, and shall pursue any applications for registration therefor (and shall have the right to pursue registration of any trademark identical to a Trademark in jurisdictions within the Territory where such registration does not exist on the Effective Date), on behalf of the Licensor, and, in the service thereof, shall provide Licensor with such documentation as may be necessary to permit Licensor to execute any applications for registrations and renewals as may be necessary with respect to such Trademarks (or trademarks) in the name of Licensor. If the Licensor shall fail to take any action appropriately requested by Licensee to maintain or register a Trademark (or trademark identical to a Trademark as provided for above), Licensee may, after written notice to Licensor, register such Trademark (or trademark) in its own name and thereafter promptly assign such registration to Licensor. The parties agree to cooperate in obtaining and maintaining such registrations, renewals and assignments, if any. All trademark rights obtained in accordance with the provisions of this SECTION 3.3 shall be included within the license grant of SECTION 2.1 immediately upon such acquisition and without the requirement of any further action by Licensor or Licensee; and SCHEDULE A hereto shall be supplemented accordingly.

(b) Licensee may request that Licensor, at its own expense (i) pursue applications for registration of trademarks which are the same as any of the Trademarks in one or more countries identified by Licensee outside the Territory, other than countries in Europe or Africa, and (ii) take all steps necessary or appropriate to maintain the registrations of any such trademarks in such countries. In the event Licensor chooses not to pursue such applications for registration, Licensee shall have the right to do so on behalf of and in the name of Licensor and at Licensee's expense, PROVIDED, that Licensee gives Licensor at least sixty (60) days prior written notice of its intention to file any such application and Licensee provides Licensor with an opportunity to review any such application or other necessary materials prior to filing. In the event Licensor fails to take steps necessary to maintain the registrations of such trademarks in such countries, Licensee shall have the right, at Licensee's expense, to take the minimum steps necessary to preclude cancellation of such registrations on any grounds provided that Licensee's activities in such regard do not prejudice Licensor's right to commence commercial sales of products under such trademarks in any such country and provided further that this sentence shall not be deemed to confer upon Licensee any continuing license to use such trademarks in any such country or to sell or market any such products in such country other than as permitted by the foregoing.

3.4. MODIFICATION OF TRADEMARKS AND TRADE DRESS. Licensee shall have the right to modify the format of the Trademarks and the Trade Dress associated

therewith if in its reasonable business judgment it determines that such modifications are necessary or desirable in any portion of the Territory. Any such modified Trademarks shall be owned by Licensor and shall be included within the license grant of SECTION 2.1 and shall be considered a Trademark under this Agreement without the requirement of any notice to or further action by Licensor or Licensee and SCHEDULE A hereto shall be supplemented accordingly. Licensee shall have the right to pursue registration in Licensor's name in the Territory of any such modified Trademark in accordance with SECTION 3.3.

ARTICLE 4

STANDARDS OF QUALITY

4.1. WARRANTY AS TO PRODUCTS. Licensee warrants to Licensor that the Products in connection with which the Trademarks are used shall, at all times, conform to Good Manufacturing Practices (GMPs) and shall conform in all material respects with all laws and regulations applicable in the Territory. Products will be produced, packaged, advertised and distributed consistent with the quality standards applied prior to the Effective Date by Licensor or any of its pre-Effective Date Affiliates to the Products in the Territory and any new Products introduced after the Effective Date of this Agreement shall also be produced and packaged consistent with such quality standards. In the case of new Products which are not confectionery products, such Products shall be produced consistent with the quality standards applied by reputable manufacturers of such products.

4.2. INSPECTIONS AND SAMPLES. Licensee agrees that Licensor or its duly authorized agent (PROVIDED THAT Licensor or such agent shall have executed a confidentiality agreement reasonably satisfactory to Licensee) shall have the right, on an annual basis at a time to be agreed upon by Licensor and Licensee, to inspect the manufacturing process utilized to produce the Products under this Agreement to ensure compliance with the quality standards set forth herein. The inspection shall be limited to those areas of the facilities where the Products are manufactured, and the Licensor agrees to such restrictions on such inspections as may be required under the Licensee's contractual arrangements with third parties. During such inspections, (i) review may be made of quality control and manufacturing reports as may be reasonably requested, (ii) Licensor or its duly authorized agent may take a reasonable number of representative samples of the Products for quality audit purposes, and (iii) Licensor or its duly authorized agent may review representative samples of promotional, marketing and point-of-sale materials for the Products illustrating Licensee's use of the Trademarks.

ARTICLE 5

PROMOTION OF PRODUCTS

5.1. BEST EFFORTS. Licensee shall use its best efforts commercially reasonable in the circumstances and consistent with licensee's marketing and sales promotion practices to market and promote the sale and distribution of the Products under the Trademarks in North America. It is understood and agreed between the parties that Licensee's obligation pursuant to the foregoing sentence shall not limit Licensee's ability to curtail or discontinue the marketing, promotion or sale of Products in the Territory, provided Licensee determines that it is commercially reasonable to do so based on the same criteria it employs in connection with the curtailment or discontinuance of the marketing, promotion or sale of its own confectionery products. Notwithstanding any provision to the contrary contained herein or in the Purchase Agreement, in the event Licensee discontinues promotion and sale of Products sold under the Xylifresh and/or Storm Mint Trademarks, this Agreement will be deemed to be terminated only with regard to the Xylifresh and/or Storm Mint Trademark(s), and Licensor shall be entitled to produce, market, advertise, promote, sell, distribute and offer for sale products in the Territory bearing said Xylifresh and/or Storm Mint trademark(s).

ARTICLE 6

ROYALTIES

6.1. PAYMENT OF ROYALTIES. In consideration of the right and license herein granted to the Licensee to use the Trademarks in connection with the Products, the Licensee agrees to pay to the Licensor, or to such other party as the Licensor may hereafter direct to Licensee in writing, the royalties set forth in SECTION 6.2 hereof in the amounts and manner set forth therein and in SECTION 6.4.

6.2. ROYALTY PAYMENTS.

(a) [Confidential Information Deleted]

(b) In each Annual Period hereunder, Licensee shall make quarterly royalty payments to Licensor covering Net Sales during Licensee's accounting quarter no later than forty-five (45) days after the end of each of the first three accounting quarters and sixty (60) days after the end of Licensee's fourth accounting quarter. The royalty payment for Net Sales during Licensee's fourth accounting quarter shall be adjusted to properly reflect Net Sales for the Annual Period. To the extent permitted under applicable United States securities laws, Licensee agrees that in December (following the completion of the Licensee's and its sublicensed Affiliates' annual marketing plans for the Products for the

following fiscal year) of each year it will advise Licensor of the amount of Licensee's and its sublicensed Affiliates' planned aggregate sales of the Products for such fiscal year and Licensor agrees to treat such information confidentially.

(c) [Confidential Information Deleted]

6.3. PAYMENT OF ROYALTIES; WITHHOLDING TAXES. All royalty and interest payments shall be made in United States dollars. Royalties not paid by Licensee by the date specified in SECTION 6.2 shall bear interest from the date specified for payment herein until actually paid at an interest rate equal to the prime lending rate quoted and in effect from time to time by The Chase Manhattan Bank or its successor. All royalty payments which are required to be made hereunder by the Licensee to the Licensor shall be made in immediately available funds at a bank designated by the Licensor from time to time. All royalty payments shall be subject to any applicable taxes, if any, which are required to be withheld, PROVIDED THAT the same are forthwith remitted and evidence of such remittance to the appropriate taxing authority is provided to the Licensor upon request.

6.4. RECORDS AND REPORTS. At all times during the Term of this Agreement, Licensee shall (in accordance with its customary record retention policy) keep true, accurate and complete records of total quantities of the Products sold and the Net Sales in sufficient detail to permit the determination of royalties payable in respect thereof. At the time Licensee makes its quarterly payment of royalties pursuant to SECTION 6.2, Licensee shall provide Licensor with a royalty report for such quarter as to the royalty payments due for that quarter. The royalty report shall state, in reasonable detail, (a) the Net Sales for each Product in the Territory, (b) total Net Sales in the Territory, and (c) the amount of royalties due for such quarter. At the request and expense of Licensor, Licensee shall permit an independent public accountant selected by Licensor to have access to, examine and, with the consent of Licensee (which consent shall not be unreasonably withheld), copy during ordinary business hours such books, records and accounts as may be necessary or advisable to enable such accountant to verify or determine the royalty paid or payable under this Agreement and Licensee shall render all reasonable assistance to such accountant in that regard.

ARTICLE 7

TERM

7.1. TERM. This Agreement shall have an initial term of ten (10) years commencing on the Effective Date. Thereafter, this Agreement shall be renewed automatically without any prior notice to or action by either party or any of

their respective Affiliates, successors or assigns for additional periods of ten (10) years each, unless terminated (i) by Licensee at the end of the first renewal term or any subsequent ten (10) year renewal term on not less than six (6) months prior notice to Licensor, or (ii) pursuant to the provisions of SECTION 8.1(b). Upon any such termination, all of the Trademarks shall remain the property of the Licensor and no rights therein shall be deemed transferred to the Licensee, and Licensee shall immediately cease all use of the Trademarks, subject to Licensee's right to dispose of inventory on hand as of the date of termination.

ARTICLE 8

REMEDIES FOR BREACH

8.1. BREACH OF PAYMENT OBLIGATIONS BY LICENSEE.

(a) Licensor acknowledges and agrees that it shall have no right to terminate this Agreement or any of Licensee's rights hereunder except as expressly set forth in this SECTION 8.1.

(b) In the event of a willful breach by Licensee of its payment obligations pursuant to ARTICLE 6 hereof, Licensor may send a written notice to Licensee stating that it has breached its payment obligations, specifying in detail the nature of such breach and requiring Licensee to rectify such breach. If such breach is not rectified by Licensee within a period of thirty (30) days after receiving written notice from Licensor, Licensor shall be entitled to exercise any remedies it may have hereunder, including termination of this Agreement.

(c) Notwithstanding the provisions of SECTION 8.1(b), in the event Licensee disputes in good faith the alleged breach by disputing the amount of royalties owed by Licensee pursuant to SECTION 6.2 hereof, such dispute shall be resolved exclusively by arbitration pursuant to SECTION 8.3 and in accordance with the procedures set forth therein, and shall, in no event, give rise to Licensor's ability to terminate this Agreement. Such arbitration shall be the sole and exclusive dispute resolution mechanism for resolving such matter, the parties hereto voluntarily waiving for themselves and their respective Affiliates any other rights or remedies any of them may have in any jurisdiction to resolve such matter.

8.2. OTHER MATERIAL BREACHES.

(a) Except as set forth in SECTION 8.1, in the event one party determines that the other party has committed a material breach of a provision of this Agreement, such party may provide written notice to the breaching party ("Breach Notice") specifying the material breach complained of in reasonable detail and requiring such other party to rectify such breach. The breaching party shall then have ninety (90) days from receipt of the Breach Notice to rectify such breach or, if such material breach is such that it cannot be rectified within the said ninety (90) day period but is capable of being rectified within a reasonable period of time thereafter, to begin to rectify such breach within such ninety (90) day period and thereafter to proceed diligently to complete the rectification of the breach within a reasonable period. In the event that the party receiving the Breach Notice does not rectify the breach within the time period specified in the preceding sentence, the non-breaching party shall have the right to invoke binding arbitration pursuant to SECTION 8.3. Such arbitration shall be the sole and exclusive dispute resolution mechanism for resolving such matter, the parties hereto voluntarily waiving for themselves and their respective Affiliates any other rights or remedies any of them may have in any jurisdiction to resolve such matter.

(b) Notwithstanding the foregoing, in the event the party receiving a Breach Notice disputes the other party's assertion that it has committed a material breach of this Agreement, such party shall promptly, and in any event within thirty (30) days after receiving such Breach Notice, send written notice of such dispute to the other party. The parties shall then commence good faith negotiations to resolve such dispute. In the event that the parties are unable to negotiate a resolution of such dispute within sixty (60) days of commencing such good faith negotiations, either party shall, if it wishes to pursue such dispute, invoke binding arbitration pursuant to SECTION 8.3. Such arbitration shall be the sole and exclusive dispute resolution mechanism for resolving such matter, the parties hereto voluntarily waiving for themselves and their respective Affiliates any other rights or remedies any of them may have in any jurisdiction to resolve such matter.

8.3. ARBITRATION. (a) In the event arbitration is required or invoked pursuant to SECTIONS 8.1 or 8.2, such arbitration proceeding shall be conducted under the auspices of the Center for Public Resources (the "CPR") in New York, New York pursuant to the CPR's Model ADR Procedures and Practices, Rules and Commentary for Arbitration. The arbitrators in any such arbitration shall be persons knowledgeable in the industry with regard to the subject matter of the arbitration. Both the foregoing agreement of the parties to arbitrate any and all such claims, and the results, determination, finding, judgment and/or award

rendered through such arbitration, shall be final and binding on the parties thereto and may be specifically enforced by legal proceedings in a court having jurisdiction over the party in question. It is expressly understood and agreed by the parties that the arbitrators in any such arbitration shall have the right to order injunctive relief (both preliminary and permanent injunctions) and/or payment of damages as the sole and exclusive remedy or remedies awarded to either party in connection with matters referred to them pursuant to SECTIONS 8.1 and 8.2 but in no event shall they have the right to order termination of all or any part of this Agreement.

(b) Licensor shall appoint one (1) arbitrator, and Licensee one (1) arbitrator within a term of thirty (30) days from the date arbitration is required or invoked pursuant to SECTIONS 8.1 or 8.2, and the two (2) arbitrators so appointed shall appoint the third arbitrator (who shall also be knowledgeable in the industry with regard to the subject matter of the arbitration) within a term of thirty (30) days from the date on which the later of the two (2) arbitrators has been selected.

(c) If either Licensor or Licensee fails to select its arbitrator within the term mentioned above, or in the event that the two (2) selected arbitrators are unable or unwilling to select a third arbitrator within thirty (30) days following the selection of the later of them, then the CPR shall select such arbitrator (meeting the criteria set out in SECTION 8.3(b)), and the three (3) arbitrators so selected shall constitute the arbitration panel for purposes of the dispute. The parties shall have thirty (30) days thereafter to submit their position to the arbitrators. The arbitrators shall be instructed and required to render their decision within thirty (30) days following completion of the arbitration.

(d) Each party shall bear separately the cost of their respective attorneys, witnesses and experts in connection with such arbitration and shall jointly bear the costs of the arbitrators.

(e) The parties hereby waive any claim to any damages in the nature of punitive, exemplary or statutory damages in excess of compensatory damages, and the arbitration tribunal is specially divested of any power to award any damages in the nature of punitive, exemplary or statutory damages in excess of compensatory damages, or any form of damages in excess of compensatory damages.

(f) The arbitrators shall be the exclusive judges of relevance and materiality. No witness or party may be required to waive any privilege recognized by law.

(g) Unless the arbitrators shall otherwise rule in the interest of justice, all direct or rebuttal testimony shall be submitted in the form of sworn affidavits, provided that at the request of another party, the party submitting the affidavit will make the affiant available for cross-examination. If the affiant is not made available for cross-examination, the affidavit shall not be considered as evidence by the arbitrators except if the arbitrators find that the affiant is beyond the control of the party offering the affidavit, the affiant is unavailable and the interests of justice require consideration of the evidence submitted by the affiant.

(h) Notwithstanding anything to the contrary in this Agreement, in the event of a breach by either party of SECTION 2.1 or SECTION 3.3(b), the other party shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction outside the Territory to enforce the specific performance of such party's obligations pursuant to such section outside the Territory.

ARTICLE 9

SURVIVAL OF REPRESENTATIONS

9.1. SURVIVAL OF REPRESENTATIONS. The representations and warranties of Licensor set forth in SECTION 3.1 hereof shall survive for a period of three (3) years following the Effective Date. Any other representations and warranties set forth in this Agreement shall survive indefinitely.

ARTICLE 10

SUCCESSORS, SUBLICENSING AND ASSIGNMENT

10.1. BINDING UPON SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and shall enure to the benefit of the Licensor, its successors and assigns, and the Licensee, its successors and assigns.

10.2. SUBLICENSING. The Licensee and any of its Affiliates who may be a sublicensee may sublicense rights under this Agreement without notice to or the prior written consent of Licensor PROVIDED THAT (i) a copy of such part of any agreement pursuant to which such rights are being sublicensed as will permit the Licensor to verify that the provisions of clauses (ii) and (iii) of this SECTION 10.2 have been complied with is delivered to Licensor prior to the commencement of each such sublicense, (ii) the sublicensee is required to maintain standards of quality at least equivalent to those set forth in ARTICLE 4 of this Agreement and (iii) the Licensor shall have the same rights with respect to said sublicensee as are contained in ARTICLE 4 of this Agreement. Without limiting

the foregoing, Licensor acknowledges and agrees that contemporaneously with the execution of this Agreement Licensee will enter into a sublicense of its rights hereunder with Hershey Foods Corporation.

10.3. ASSIGNMENT. Licensor may assign this Agreement in its entirety without the prior written consent of Licensee provided that any such assignment is made only in conjunction with an assignment of the Trademarks, Patent Rights and Technical Information to such assignee. Licensor further covenants and agrees that it shall not assign the Trademarks, Patent Rights or Technical Information other than in conjunction with its assignment of its rights and obligations under this Agreement to such assignee. Licensee may assign this Agreement (other than its obligations pursuant to SECTION 6.2(c), and other than its rights and obligations pursuant to SECTION 3.3(b) unless, in the latter case, such assignment is with respect to this Agreement as a whole), in whole or in part (including, without limitation, assignment of Licensee's rights and obligations under this Agreement with respect to one or more of the Trademarks) with respect to the United States as a whole, Canada as a whole, Mexico as a whole and/or the rest of the Territory as a whole, without the prior written consent of Licensor, provided that any such assignee enters into an agreement with Licensor, in a form reasonably acceptable to Licensor, assuming all of Licensee's rights and obligations under this Agreement, and provided further that (a) Hershey Foods Corporation guarantees such assignee's performance of its obligations under this Agreement; or (b)(i) such assignee has at the time of the assignment a net worth of not less than \$500 million (for assignees of Licensee's rights and obligations under this Agreement in the entire Territory or in the United States as a whole) or \$200 million (for assignees of Licensee's rights and obligations under this Agreement in Canada as a whole, Mexico as a whole and/or the rest of the Territory as a whole), and (ii) Licensor, after a reasonable and prompt good faith inquiry, has not determined that such assignee would be likely to adversely affect the good will, public perception or value of the Trademarks, or that such assignment would adversely affect the performance of the obligations of the licensee hereunder.

ARTICLE 11

MISCELLANEOUS

11.1. ADDITIONAL REPRESENTATIONS AND WARRANTIES. Each party represents and warrants to the other that the execution, delivery and performance by such party of this Agreement have been duly authorized by all necessary corporate action and all governmental consents, approvals and authorizations (except for any of such which are not material to such party's ability to perform its obligations under this Agreement) required in connection with such execution, delivery and performance have been obtained and are in full force and effect.

11.2. RECORDAL. The parties hereto shall cooperate in connection with the recording of this Agreement or a summary thereof in those countries of the Territory where such recordal is requested by Licensee in accordance with applicable law.

11.3. WAIVER. Failure or delay of either party at any time to require performance of any provisions under this Agreement shall not affect the right of such party to require full performance thereafter and a waiver by either party of a breach of any provision of this Agreement shall not be taken or held to be a waiver of any further or similar breach or as nullifying the effectiveness of such provision. A waiver of any provision hereunder shall be effective only if such waiver is in writing and signed by the party against whom such waiver is sought to be enforced. Failure or delay on the part of either party to exercise any right, remedy, power or privilege provided for herein shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other rights, remedy, power or privilege.

11.4. ENTIRE AGREEMENT. This Agreement sets forth the entire agreement and understanding between the parties with respect to the subject matter hereof and merges and supersedes all prior discussions, representations, understandings and agreements, whether oral or in writing, between the parties with respect to such subject matter. This Agreement may be altered, modified or amended only by a written document signed by the parties hereto.

11.5. SEVERABILITY. In the event that any clause, term or provision hereof is determined by any court or administrative agency of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby.

11.6. FORCE MAJEURE. Any delays in or failure of performance by either party under this Agreement shall not be considered a breach hereof if such delay or failure is occasioned by an event beyond the reasonable control of the party affected ("force majeure"), PROVIDED THAT the Licensee shall continue to be obligated to pay to the Licensor any and all amounts which it shall have duly become obligated to pay in accordance with the terms of this Agreement prior to the occurrence of such an event, and FURTHER PROVIDED THAT any party whose performance is so delayed shall give prompt notice thereof to the other party and shall use all reasonable endeavors to comply with the terms of this Agreement as soon as possible. Force majeure in this context shall include, without limitation, acts of government, acts of God, fires, floods, explosions, riots, civil disturbances, strikes, insurrections, earthquakes, wars, rebellion and

epidemics.

11.7. NOTICES. Any notice referred to in this Agreement may be given either (i) by first class certified or registered airmail, return receipt requested, postage prepaid, or (ii) by means of electronic recorded transmission whereby the party giving such notice receives an immediate electronic acknowledgment of receipt from the recipient. Any such notice shall be deemed to be properly given and served when received. Notices shall be in English and addressed to the parties as follows:

If to the Licensor:

Huhtamaki Finance B.V.
Burgemeester Rijnderslaan 26
P.O. Box 49
1180 AA Amstelreen
The Netherlands
Attention: Managing Director

with a copy to:

Huhtamaki Oy
Etelaranta 8
00130 Helsinki
Finland
Attention: Executive Vice President

If to the Licensee:

Homestead, Inc.
111 Continental Drive, Suite 309
Newark, Delaware 19713
Attention: President

with a copy to:

Hershey Foods Corporation
100 Crystal A Drive
Hershey, Pennsylvania 17033-0810
Attention: Vice President, General Counsel and
----- Secretary

Either party may from time to time designate by written notice to the other party another address which it desires to be used for service of notices hereunder in lieu of such address.

11.8. PERFORMANCE BY AFFILIATES. Where performance of Licensor's or Licensee's duties or obligations under this Agreement requires or involves action

by any of their respective Affiliates, Licensor or Licensee, as appropriate, shall secure such performance by such Affiliate.

11.9. APPLICABLE LAW. This Agreement and the legal relations between the parties hereto shall, in all respects, be interpreted, construed and governed in accordance with the laws of the State of New York, without reference to the choice of law principles of such laws (other than Section 5-1401 of the New York General Obligations Law).

11.10. EXCLUSIVE JURISDICTION. Any disputes arising out of or relating to this Agreement shall be resolved exclusively as provided in ARTICLE 8 hereof.

11.11. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall be deemed to have been executed simultaneously.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the day and year first above written.

HUHTAMAKI FINANCE B.V.

HOMESTEAD, INC.

By:
Name:
Title:

By:
Name:
Title:

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

On this 30th day of December, 1996, there appeared before me Eero Aho and Juha Salonen personally known to me, who acknowledged that they signed the foregoing Assignment as his/her voluntary act and deed on behalf and with full authority of Huhtamaki Finance B.V.

[SEAL]

Notary Public

STATE OF DELAWARE)
COUNTY OF NEW CASTLE) ss.:

On this 19th day of December, 1996, there appeared before me Anne L. Cornelius, personally known to me, who acknowledged that she signed the foregoing assignment as his/her voluntary act and deed on behalf and with full authority of Homestead, Inc.

[SEAL]

Notary Public

SCHEDULE A TO TRADEMARK AND TECHNOLOGY ASSIGNMENT AGREEMENT

I. TRADEMARK REGISTRATIONS AND APPLICATIONS

I.A.

Trademark	Country	Serial #	Reg. #	Status
Chuckle	Canada	119,607	177/39240	Not Active
Chuckles	Canada	208,126	UCA/38130	Active
Chuckles	Canada	314,839	164,092	Active
Chuckles	El Salvador	2018-95		Pending
Chuckles	US	543,769	515,075	Active
Chuckles	Venezuela		72170-F	Active
Chuckles & Design	Mexico	148,178	443,047	Active
Chuckles Canadian Jells	Canada	276,171	157,169	Not in use Abandoned
Good & Plenty	Mexico		417,351	Active
Good & Plenty (Word Mark)	US	73/383,882	1,289,249	Active
Good & Plenty and Design	US	73/388,195	1,328,776	Active
Good 'N Fruity	Brazil	818.635.525		Pending
Good 'N Fruity	Mexico	38,035	429,720	Active
Good 'N Fruity & Design	Canada	391,256	214,013	Active
Good 'N Fruity & Design	US	72/119,890	742,450	Active
Good 'N Fruity (Word Mark)	US	74/339,897	1,838,788	Active
Good 'N Fruity Fruit Design	US	74/340,041	1,825,329	Active
Good and Plenty	Canada	137,338	43,049	Active
Good and Plenty & Device	Venezuela		86151F	Not in use
Good and Plenty (Stylized)	US	71/251,282	243,197	Active
Heath	Argentina	1,868,984	1,501,739	Active
Heath	Bolivia	3154		Pending
Heath (Word Mark)	Brazil	819.116.343		Pending
Heath (Word Mark)	Canada	713,264		Pending
Heath	Chile	308,547	495.915	Pending
Heath (Word Mark)	Costa Rica	2634-95	95035	Active
Heath	Dominican Republic		81,702	Active
Heath	Ecuador	56,350		Pending
Heath	Guatemala	4856-90		Pending
Heath	Haiti	1190-Q		Pending

Trademark	Country	Serial #	Reg. #	Status
Heath	Honduras	3145/96		Pending
Heath (Word Mark)	Panama	76890		Pending
Heath	Peru	267,763	017,735	Active
Heath	Trinidad	25,127		Pending
Heath	US	73/576,246	1,404,302	Active
Heath	Venezuela	8739-95		Pending
Heath & Design	Brazil	818.775.297		Pending
Heath & Design	Canada	713,251		Pending
Heath & Design	Mexico	130,114	422,668	Active
Heath & Design	US	72/209,856	793,753	Not in use Abandoned
Heath (Oval) Design	Canada	351,258	187,955	Not in use Abandoned
Heath (Stylized)	US	73/575,151	1,403,352	Active
Heath (Vertical) Design	US	72/199,902	799,191	Not in use Abandoned
Heath Almond Toffee Chips & Design	US	72/019,968	675,751	Not in use Abandoned
Heath Bits	US	73/796,350	1,572,237	Active
Heath Double Dip Almond Toffee Chips & Design	US	72/019,967	673,677	Not in use Abandoned
Heath English Toffee Miniatures & Design	US	72/183,838	782,609	Not in use Abandoned
Heath Sensations	Canada	720,659	432,746	Active
Heath Toffee Crunch & Design (from the makers of)	US	181,777	788,228	Not in use Abandoned
Heath Toffee Premium & Design	US	72/073,016	699,499	Not in use Abandoned
Jolly Rancher	Argentina	1,966,416	1,584,485	Active
Jolly Rancher	Bolivia	3155		Pending
Jolly Rancher	Canada	400,262	253,159	Active
Jolly Rancher	Colombia	94-21345	182,524	Active
Jolly Rancher	Costa Rica	2639-95	95036	Active
Jolly Rancher	Dominican Republic		81,701	Active
Jolly Rancher	Ecuador	56351		Pending
Jolly Rancher	El Salvador	2021-95		Pending
Jolly Rancher	Guatemala	4862-96		Pending
Jolly Rancher	Haiti	1190-Q		Pending

Trademark	Country	Serial #	Reg. #	Status
Jolly Rancher	Honduras	3137/96		Pending
Jolly Rancher	Mexico	127,450	420,571	Active
Jolly Rancher	Panama	76888		Pending
Jolly Rancher	Peru	267,761		Pending
Jolly Rancher	Trinidad	25130		Pending
Jolly Rancher	US	74/613,413		Pending SOU accepted
Jolly Rancher	Venezuela	2716-96		Pending
Jolly Rancher & Design	Canada	806,453		Pending
Jolly Rancher (Script)	Canada	400,263	252,228	Active
Jolly Rancher (Stylized)	US	72/048,749	695,762	Active
Jolly Rancher (Stylized)	US	74/492,801	1,923,903	Active
Jolly Rancher (Stylized)	US	74/492,802	1,923,904	Active
Jolly Rancher (Word Mark)	Chile	43,883	393,517	Active
Jolly Rancher (Word Mark)	US	74/171,460	1,684,586	Active
JR & Design	Mexico	127,453	408,947	Active
JR & Design	US	216,045	1,174,430	Active
JR and Design	US	74/384,842	1,821,292	Active
JR and Design	US	74/384,843	1,843,021	Active
JR and Design	US	74/384,859	1,880,538	Active
JR and Design	US	74/386,143	1,877,705	Active
JR Jolly Rancher (Stylized)	Brazil	818.763.981		Pending
JR Jolly Rancher	Canada	814,295		Pending
JR Jolly Rancher (Stylized)	Uruguay	285,260		Pending
Malteser	US	72/139,759	761,679	Active
Malteser (Stylized)	US	74/493,274	1,923,905	Active
Milk Duds	Argentina	1,868,985	1,562,946	Active
Milk Duds	Canada	548,731	382,784	Active
Milk Duds	Colombia		169,863	Active
Milk Duds	Mexico		421,140	Active
Milk Duds	US	73/414,847	1,307,327	Active
Original Heath and Design	US	73/575,146	1,403,351	Not in use Abandoned

Trademark	Country	Serial #	Reg. #	Status
Original Xylitol Gum & Design	US	765,886	1,552,166	Active
Payday	Argentina	1,966,413		Pending
Payday	Bolivia	3159		Pending
Payday	Brazil	818.635.517		Pending
Payday	Canada	326,408	180,150	Active
Payday	Canada	298,811	155,125	Active
Payday	Chile		318,583	Active
Payday	Columbia	9421346		Pending
Payday	Costa Rica	2636-95	95497	Active
Payday	Dominican Republic		81,697	Active
Payday	Ecuador	58354		Pending
Payday	El Salvador	2023-95		Pending
Payday	Guatemala	4859,96		Pending
Payday	Haiti	1185-Q		Pending
Payday	Honduras	3142/96		Pending
Payday	Panama		042,001	Active
Payday	Peru	267,764	026419	Active
Payday	Trinidad	25134		Pending
Payday	Uruguay	277,567		Pending
Payday	Venezuela	8738-95		Pending
Payday	US	71/416,565	370,705	Active
Payday and Design	Mexico	128,851	406,888	Active
Payday (Stylized)	US	73/629,994	1,448,756	Active
Ranchers	Mexico	127,454	463,706	Not in use Abandoned
Sixlets	Bolivia	3157		Pending
Sixlets	Colombia	94040774		Pending
Sixlets	Costa Rica			Pending
Sixlets	Dominican Republic			Pending
Sixlets	Ecuador	56348		Pending
Sixlets	El Salvador	2026-95		Pending
Sixlets	Guatemala	4854-96		Pending
Sixlets	Haiti	1183-Q		Pending
Sixlets	Honduras	3139/96		Pending

Trademark	Country	Serial #	Reg. #	Status
Sixlets	Mexico	127,449	421,139	Active
Sixlets	Panama		037,310	Active
Sixlets	Peru	267,762		Pending
Sixlets	Trinidad	25132		Pending
Sixlets	Uruguay	277,566		Pending
Sixlets	US	73/046,842	1,023,366	Active
Sixlets	Venezuela	8740-95		Pending
Sixlets (Stylized)	Argentina	1,994,518		Pending
Sixlets (Stylized)	Brazil	818,886,390		Pending
Sixlets (Stylized)	Chile	316,771		Pending
Six 6 Lets	US	72/012,099	644,531	Not in use Abandoned Exp. 4/23/97
Soft'N Crunchy Heath (and Design)	US	73,575,153	1,436,583	Not Active Abandoned
Storm Mint	US	74/682,803	2,021,437	Active
Super Crunch Heath and Design	Canada	351,257	210,960	Not in use Abandoned
Switzer	Canada	662,683	411,978	Active
Switzer	Mexico	136,301		Pending
Switzer	US	73/530,988	1,393,452	Active
Whoppers	Argentina	1,990,881		Pending
Whoppers	Bolivia	3156		Pending
Whoppers	Brazil	818.723.505		Pending
Whoppers	Canada	317,178	164,110	Active
Whoppers	Chile		235,965	Active
Whoppers	Colombia	94040775		Pending
Whoppers	Costa Rica	2635-95	95049	Active
Whoppers	Ecuador	56349		Pending
Whoppers	El Salvador	2016-95		Pending
Whoppers	Guatemala	4857-96		Pending
Whoppers	Haiti	1186-Q		Pending
Whoppers	Honduras	3143/96		Pending
Whoppers	Mexico	52,224	364,539	Active
Whoppers	Panama		037,312	Active
Whoppers	Peru	274,870	023353	Active
Whoppers	Trinidad	25131		Pending

Trademark	Country	Serial #	Reg. #	Status
Whoppers	Uruguay	279,866		Pending
Whoppers	US	72/378,772	965,678	Active
Whoppers	Venezuela	12.597-95		Pending
Xylifresh	Canada	796,033		Pending
Xylifresh	Mexico		362,158	Active
Xylifresh	US	73/536,600	1,408,117	Active
Xylifresh	US	74/405,628	1,898,247	Not in use Abandoned
Xylifresh	US	74/063,795	1,641,450	Active
Xylifresh 100	Canada	796,034		Pending
Design (Xylifresh)	US	74/497,589	1,927,168	Active
Zag Nut and Design	Canada	227,139	100,600	Active
Zagnut	Argentina	1,868,986	1,501,740	Active
Zagnut	Brazil	819,132,535		Pending
Zagnut	Mexico	127,452	427,274	Active
Zagnut	US	73/644,768	1,456,733	Active
Zagnut Nuggets	US	74/527,974	1,951,921	Active
Zero	Argentina	1,868,987		Pending
Zero	Bolivia	3158		Pending
Zero	Costa Rica		95046	Active
Zero	Dominican Republic		81,700	Active
Zero	El Salvador	2017-95		Pending
Zero	Haiti	1188-Q		Pending
Zero	Honduras	3140/96		Pending
Zero	Panama		041,999	Active
Zero	Peru			Pending
Zero	Trinidad	25133		Pending
Zero	Uruguay	284,850		Pending
Zero & Design	Brazil	818.763.990		Pending
Zero (Stylized)	Chile	316,112		Pending
Zero (Stylized)	US	71/312,611	284,982	Active
Zero (Word Mark)	US	74/134,098	1,677,789	Active
Zero and Design	Mexico	128,852	406,889	Active
Zero (Stylized)	Peru	277,213	021,539	Active
Zero Design	Canada	337,377	179,572	Active

Trademark	Country	Serial #	Reg. #	Status
Zero Design	Canada	328,424	174,381	Active
Zero Stylized	US	73/382,275	1,268,127	Active

I. B.

Trademark	Country	Serial #	Reg. #	Status
Babakon (Chinese)	China		304,128	Active
Babakon (English)	China		304,031	Active
Butter Brickle	Japan	46-47138	1,132,352	No use Abandoned]
Chuckles	Australia		246,581	Active
Chuckles	France		1,159,955	Active
Chuckles	Germany		936,700	Active
Chuckles	New Zealand		96,276	Active
Fix & Foxi	China		284,658	Not in use Abandoned
Good 'N Fruity	South Africa	791,028	79/028	Active
Good and Fruity	Spain	811,791	811,791	Active
Good and Plenty	Switzerland		404,629	Active
Good and Plenty & Design	Austria	AM 44,775	79,753	Active
Good and Plenty & Design	Denmark	3786.74	1632.75	Active
Good and Plenty & Device	France	713,643	1,283,320	Active
Good and Plenty & Device	Greece		53,147	Active
Good and Plenty & Device	Italy	34961C74	311,509	Active
Good and Plenty & Device	Kuwait	7383	6763	Active
Good and Plenty & Device	Morocco		25168	Active
Good and Plenty & Device	Norway	119,846	100,993	Active
Good and Plenty & Device	South Africa	743,653	74/3643	Active
Good and Plenty & Device	Sweden	412,074	151,584	Active
Heath	Australia			Pending
Heath (Word Mark - English and Japanese Version)	Japan	89972	2,257,870	Active
Heath (Word Mark)	Korea	8974/87	159,844	Active

Trademark	Country	Serial #	Reg. #	Status
Heath (Word Mark - English Version)	Japan	53702	2,257,869	Active
Jawbreaker	Spain		1,148,850	Not in use Abandoned
Jolly Rancher	Australia	A209,273	A209,273	Active
Jolly Rancher	New Zealand	204,847	204,847	Active
K&L	France		1,513,720	Not in use Abandoned
Leaf	Columbia	9421344		Pending
Leaf	Haiti	1182-Q		Pending
Leaf	Honduras	3141/96		Pending
Leaf	Sarawak		20,865	Active
Leaf	Trinidad	25135		Pending
Leaf & Design	Brazil			Pending
Leaf & Design	Canada	449,281	265,222	Active
Leaf & Design (Sail Logo)	US			Pending
Leaf (Sail) & Design	Canada	810,952		Pending
Leaf and Sail Design	Costa Rica	2633-95	95130	Active
Leaf (Sail) Logo	Mexico	259,917		Pending
Leaf (Stylized)	US	232,713	1,721,896	Active
Leaf (Word Mark)	Australia		191,101	Active
Leaf (Word Mark)	Canada	343,897	182,207	Active
Leaf (Word Mark)	China		284,656	Active
Leaf (Word Mark)	Ecuador	58352		Pending
Leaf (Word Mark)	Mexico		362,098	Active
Leaf (Word Mark)	Peru	272,671	019,358	Active
Leaf (Word Mark)	US	232,082	1,713,643	Active
Leaf (Word Mark)	US	627/690	568,914	Active
Leaf (Word)	Argentina	1,994,517		Pending
Leaf (Word)	Bolivia	3160		Pending
Leaf (Word)	Dominican Republic		81,694	Active
Leaf (Word)	Guatemala	6345-95		Pending
Leaf (Word)	US	74/574,460	1,929,624	Active
Leaf and Design	US	74-288,392	1,795,167	Active
Leaf and Design	Venezuela	18.62-95		Pending

Trademark	Country	Serial #	Reg. #	Status
Leaf and Device (Leaf Wrapper Peppermint)	China		678,270	Active
Leaf and Device (Leaf Wrapper Spearmint)	China		678,277	Active
Leaf and Device (Leaf Wrapper Strawberry)	China		678,269	Active
Leaf Logo	Australia		341,576	Active
Leaf Logo	Puerto Rico		14,373	Active
Leaf Logo (Rectangle)	China		699,476	Active
Leaf Logo (Rectangle)	China		699,162	Active
Leaf Rain BLO (Word Mark)	Chile		375,668	Active
Leaf Set	US	74/572,458		Pending
Leaf Set (Stylized)	US	74/283,975	1,789,339	Active
Leaf Set (Word Mark)	US	74/283,975	1,789,340	Active
Leaf Whoppers	Australia	359,585	359,585	Not Active
Leaf Whoppers	US	102,671	737,243	Not Active
Lo Chocolate	US	74/629,828		Abandoned ITU
Lo Lite	US	75/024,112		Abandoned ITU
Longlife (Chinese)	China		304,127	Active
Longlife (English)	China		284,660	Active
Maple Leaf	Canada	445,816	258,454	Active
Milk Duds	Australia	A209,274	A209,274	Active
Milk Duds	Denmark		06.371/1989	Active
Milk Duds	Estonia	95 02464		Pending
Milk Duds	Finland		106,549	Active
Milk Duds	Latvia	M-95-1808		Pending
Milk Duds	Norway		135,511	Active
Milk Duds	Poland			Pending
Milk Duds	Sweden		215,404	Active
Milk Duds	UK	881,111	881,111	Active
Milk Duds (Cyrillic Version)	Russia	95714006		Pending
Milk Duds (English Version)	Russia	95714007		Pending
New Leaf Logo	Australia		341,576	Abandoned
New Leaf Logo	Benelux		365,311	Abandoned
New Leaf Logo	Brazil	4391	800,043,91	Abandoned

Trademark	Country	Serial #	Reg. #	Status
New Leaf Logo	Canada	449,281	265,222	Abandoned
New Leaf Logo	China		293,140	Abandoned
New Leaf Logo	Denmark		0747/83	Abandoned
New Leaf Logo	France		1,134,007	Abandoned
New Leaf Logo	Lichenstein		5908	Abandoned
New Leaf Logo	Philippines		35,116	Abandoned
New Leaf Logo	Singapore		122/80	Abandoned
New Leaf Logo	South Africa		B79/6921	Abandoned
New Leaf Logo	Malaysia		M/84984	Abandoned
New Leaf Logo	Sabah		S/25568	Abandoned
PAL (Chinese Version)	China		340,658	Active
PAL (English Version)	China		284,652	Active
PAL	Germany			Not in use Abandoned
PAL	Ireland			Not in use Abandoned
PAL	UK			Not in use Abandoned
Pine Brothers	Benelux		095,915	Not in use Abandoned
Pine Brothers	Denmark		701,1982	Not in use Abandoned
Pine Brothers	Norway		110,168	Not in use Abandoned
Pine Brothers	Sweden		178,278	Not in use Abandoned
Pine Brothers	Denmark		701,1982	Not in use Abandoned
Rain Blo	France	396,140	1591,405	Active
Rain Blo	Germany		1,016,560	Active
Rain Blo	New Zealand		184,660	Active
Rain Blo	Malaysia		M/84983	Active
Rain Blo	Philippines		34,203	Active
Rain Blo	Sabah		--	Active
Rain Blo	Sarawak		20,864	Active
Rain Blo	Singapore		123/80	Active
Rain Blo	South Africa		79/6932	Active
Rocket	France		293,138	Not in use Abandoned

Trademark	Country	Serial #	Reg. #	Status
Rothchilds	W. Germany		999,811	Not in use Abandoned
Rothchild	South Africa		B741697	Not in use Abandoned
Sportlife	China		284,657	[Active]
Sportlife	Mexico		352,846	Not in use Abandoned
Super Bubble	China		284,659	[Active]
Super Bubble (Chinese Version)	China		340,659	Active
Tivoli	US	74/045,856	1,766,061	Not in use Abandoned
Trio	France		284,659	[Active]
Whoppers	Brunei		9231	Active
Whoppers	China		407,355	Active
Whoppers	Denmark		341/81	Active
Whoppers	France		1,513,721	Active
Whoppers	Malaysia	MA/733/91	MA/733/91	Active
Whoppers	New Zealand		B176,082	Active
Whoppers	Sarawak		19,698	Active
Whoppers	Singapore		S/80273	Active
Whoppers	South Africa		79/6922	Active
Zag nut	Australia		209,280	Active
Zagnut	Denmark	07.680/1989	06.370/1989	Active
Zagnut	Finland		106,551	Active
Zagnut	Japan		2,241,675	Active
Zagnut	Norway		135,512	Active
Zagnut	Sweden		215,185	Active
Zagnut	Taiwan		407,468	Active
Zagnut	Taiwan		407,356	Active

I.C. UNREGISTERED TRADEMARK
 CHOO CHOO CHARLIE AND DESIGN

II. COPYRIGHTS

Kk 179,128 Issued 2/11/1964
Renewed 2/21/1992 Renewal #602 185
Title: Milk chocolate covered english toffee miniatures
Author: L.S. Heath & Sons, Inc.

Kk 3471 Issued 1/5/1941
Renewed 3/28/1968 Renewal #432 857
Title: Label - Heath Toffee-Ettes
Author: Bayard E. Heath

No. 15988 Issued 9/1/1936
Renewed 9/4/1963 Renewal #322 471
Title: Heath English Toffee
Author: L.S. Heath & Sons, Inc.

VA 595 683 Issued 11/5/1993
Title: Good 'N Fruity Candy Box Package
Author: Leaf, Inc.
Renewal Due: 11/5/2003

III. LIMITATIONS/LICENSE AGREEMENTS

[Confidential Information Deleted]

SCHEDULE B TO TRADEMARK AND TECHNOLOGY ASSIGNMENT AGREEMENT

I. PATENTS AND PATENT APPLICATIONS

1. United States Patent Number 5,139,797
Granted August 18, 1992
Inventors: Robert Huzinec, Terry Schindeldecker
Assigned to: Leaf, Inc.
2. United States Patent Application
Serial Number 081543,422
Applied for October 16, 1995
Inventors: Dee Brown, Robert Huzinec, Tom Kearns, Mark
Norton, Terry Schindeldecker
3. European Patent Application filed relating to the patent
application listed in Section 2 above.

II. UNPATENTED TECHNOLOGY AND KNOW HOW

[Confidential Information Deleted]

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