

## FRANCHISE DISCLOSURE DOCUMENT



Happy & Healthy Products, Inc.  
A Florida Corporation  
1600 South Dixie Highway, Suite 100  
Boca Raton, Florida 33432  
(561) 367-0739  
[franchiseinfo@happyandhealthy.com](mailto:franchiseinfo@happyandhealthy.com)  
[www.happyandhealthy.com](http://www.happyandhealthy.com)

Happy & Healthy Products, Inc. offers individual unit franchises for the distribution and sale of Fruitfull frozen fruit bars, confection bars, snacks and other products through dedicated freezers placed in retail outlets, through a retailer's own freezers and through other approved methods and services.

The total investment necessary to begin operation of a Classic Fruitfull franchise is \$90,970 to \$112,220, which includes \$72,670 to \$73,670 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a Premier Fruitfull franchise is \$186,658 to \$217,508, which includes ~~\$136,461~~\$136,458 to ~~\$137,661~~\$137,658 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Date of Issuance: April 12, 2024

## Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Florida than in your own state.
2. **Inventory Control.** You must make minimum amounts of inventory and supply purchases each year, even if you do not need that much. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
5. **Turnover Rate.** During the last 3 years, approximately 50% of franchised outlets were terminated, transferred, reacquired by franchisor, or ceased operations for other reasons. The franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.
6. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

**TABLE OF CONTENTS**

	<u>Page</u>
Item 1 The Franchisor and any Parents, Predecessors, and Affiliates.....	1
Item 2 Business Experience.....	2
Item 3 Litigation.....	3
Item 4 Bankruptcy.....	3
Item 5 Initial Fees.....	3
Item 6 Other Fees <sup>1/</sup> .....	4
Item 7 Estimated Initial Investment.....	6
YOUR ESTIMATED INITIAL INVESTMENT.....	6
Item 8 Restrictions on Sources of Products and Services.....	<del>109</del>
Item 9 Franchisee’s Obligations.....	11
Item 10 Financing.....	13
Item 11 Franchisor’s Assistance, Advertising, Computer Systems And Training.....	14
Item 12 Territory.....	22
Item 13 Trademarks.....	26
Item 14 Patents, Copyrights and Proprietary Information.....	27
Item 15 Obligation to Participate in the Actual Operation of the Franchised Business.....	27
Item 16 Restrictions on What the Franchisee May Sell.....	28
Item 17 Renewal, Termination, Transfer and Dispute Resolution.....	29
Item 18 Public Figures.....	32
Item 19 Financial Performance Representations.....	32
Item 20 Outlets and Franchisee Information.....	33
Item 21 Financial Statements.....	37
Item 22 Contracts.....	37
Item 23 Receipts.....	37

**EXHIBITS**

- A List of State Administrators and Agents for Service of Process
- B Franchise Agreement and Addenda to Franchise Agreement
- C Financial Statements of Happy & Healthy Guaranty, LLC  
Guarantee of Performance of Happy & Healthy Guaranty, LLC
- D List of Franchisees
- E List of Former Franchisees
- F Freezer Agreement
- G Operations Manual - Table of Contents
- H Security Agreement
- I State Addenda to Franchise Disclosure Document
- J Sample General Release
- K Confidentiality Agreement and Non-Compete Agreement
- L Disclosure Acknowledgment Agreement

**Item 20**  
**Outlets and Franchisee Information**

**TABLE NO. 1**

**Systemwide Outlet Summary  
For Years 2021 to 2023**

<b>Column 1 Outlet Type</b>	<b>Column 2 Year</b>	<b>Column 3 Outlets at the Start of the Year</b>	<b>Column 4 Outlets at the End of the Year</b>	<b>Column 5 Net Change</b>
Franchised	2021	32	29	(3)
	2022	29	23	(6)
	2023	23	15	(8)
Company-Owned	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
Total Outlets	2021	33	30	(3)
	2022	30	24	(6)
	2023	24	16	(8)

**TABLE NO. 2**

**Transfers of Outlets From Franchisees to New Owners  
(Other than the Franchisor)  
For Years 2021 to 2023**

<b>Column 1 State</b>	<b>Column 2 Year</b>	<b>Column 3 Number of Transfers</b>
Illinois	2021	1
	2022	0
	2023	0
Texas	2021	0
	2022	0
	2023	0
Total	2021	1
	2022	0
	2023	0

statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT [WWW.DFPI.CA.GOV](http://WWW.DFPI.CA.GOV).**

**[Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner of the Department of Financial Protection and Innovation.](#)**

[California's Franchise Investment Law \(Corporations Code sections 31512 and 31512.1\) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying \(i\) representations it, its employees, or its agents make to you, \(ii\) your ability to rely on any representations it makes to you, or \(iii\) any violations of the law.](#)

### State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	<b>Pending</b> <a href="#">May 30, 2024</a>
Florida	April 18, 2024
Georgia	<b>Pending</b> <a href="#">April 26, 2024</a>
Illinois	Pending
Indiana	Pending
Michigan	April 18, 2024
Minnesota	Pending
New Hampshire	Pending
New York	Pending
North Carolina	<b>Pending</b> <a href="#">May 30, 2024</a>
Rhode Island	<b>Pending</b> <a href="#">April 24, 2024</a>
South Carolina	<b>Pending</b> <a href="#">April 26, 2024</a>
Utah	April 18, 2024
Virginia	<b>Pending</b> <a href="#">May 20, 2024</a>
Washington	Pending
Wisconsin	April 18, 2024

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.