

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) January 12, 2001  
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Health & Nutrition Systems International, Inc.  
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(Exact name of registrant as specified in its charter)

Florida  
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(State or other jurisdiction of incorporation)

0-29245  
(Commission File Number)

65-0452156  
(IRS Employer Identification No.)

3750 Investment Lane, Suite 5, West Palm Beach, Florida 33407  
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(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code (561) 863-8446  
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N/A  
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(Former name or former address, if changed since last report)

Item 2. Acquisition or Disposition of Assets

On January 12, 2001, Health & Nutrition Systems International, Inc. purchased the Heritage Consumer Products, LLC "Acutrim" trademark and outstanding inventory of its Acutrim Natural AM and Acutrim Natural PM products for approximately \$180,000, pursuant to a secured party's bill of sale from Heritage Consumer Products' lender, Fleet National Bank. In connection with the purchase, Heritage Consumer Products assigned to Health and Nutrition Systems all of its rights, title and interest in the "Acutrim" trademark and two related trademarks.

Acutrim Natural AM and Acutrim Natural PM are natural herbal formulas. Health and Nutrition Systems did not acquire any other Acutrim products in the acquisition. The original Acutrim products contained Phenylpropanolamine, commonly referred to as "PPA", which was the subject of a public health advisory and a voluntary recall request by the Food and Drug Administration in November 2000.

Steven Pomerantz, Chief Executive Officer, Treasurer and a director of Health & Nutrition Systems, pledged a \$100,000 SunTrust Bank certificate of deposit he holds personally as security for a \$100,000 commercial bank loan from SunTrust Bank to Health & Nutrition Systems, the proceeds of which were used to pay a portion of the purchase price of the assets acquired. The company and Mr. Pomerantz entered into a related agreement on January 12, 2001, providing for payment of \$5,000 to Mr. Pomerantz as compensation for pledging his certificate of deposit, and providing that Mr. Pomerantz is permitted to withdraw the certificate of deposit upon 30 days' written notice to the company.

Item 7. Financial Statements and Exhibits

(c) Exhibits

Exhibit Number	Description
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- 10.1 Secured Party's Bill of Sale between Fleet National Bank and Health & Nutrition Systems International, Inc. dated January 12, 2001.
- 10.2 Trademark Assignment from Heritage Consumer Products, LLC to Health & Nutrition Systems International, Inc., dated January 12, 2001.
- 10.3 Agreement between Health and Nutrition Systems International, Inc. and Steven Pomerantz dated January 12, 2001.
- 99.1 Press Release dated January 24, 2001.

SIGNATURES

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 hereunto duly authorized.

HEALTH & NUTRITION SYSTEMS  
INTERNATIONAL, INC.

By: /s/ Steven A. Pomerantz  
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Steven A. Pomerantz  
Treasurer and Chief Executive Officer

Dated: January 26, 2001

Exhibit Index

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Exhibit  
Number

Description

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- |      |   |
|------|---|
| 10.1 | Secured Party's Bill of Sale between Fleet National Bank and Health & Nutrition Systems International, Inc. dated January 12, 2001. |
| 10.2 | Trademark Assignment from Heritage Consumer Products, LLC to Health & Nutrition Systems, Inc., dated January 12, 2001.              |
| 10.3 | Agreement between Health and Nutrition Systems International, Inc. and Steven Pomerantz dated January 12, 2001.                     |
| 99.1 | Press Release dated January 24, 2001.   |

SECURED PARTY'S BILL OF SALE

This Secured Party's Bill of Sale and Agreement (the "Secured Party's Bill of Sale") is made this 12th day of January, 2001 by and between:

FLEET NATIONAL BANK, Agent, with an office at 100 Federal Street, Boston, Massachusetts (the "Secured Party"); and

Health & Nutrition Systems International, Inc., a Florida corporation with an office at 3750 Investment Lane, Suite 5, West Palm Beach, Florida 33404 (the "Purchaser")

in consideration of all amounts required to be paid and performed in accordance with this Secured Party's Bill of Sale.

Sale of Assets.  
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1. For good and valuable consideration, and in consideration of the payment by the Purchaser of the sum of One Hundred Seventy-Nine Thousand Twenty-Eight and 35/100 (\$179,028.35) Dollars (the "Purchase Price"), the Secured Party hereby sells, assigns, and transfers to the Purchaser all right, title, and interest of Heritage Consumer Products, LLC, a Delaware limited liability company (the "Borrower") in and to certain tangible and intangible personal property comprising certain of the Borrower's business assets (collectively, the "Purchased Assets") listed on Exhibit "A," annexed hereto and incorporated herein by reference, in which The Secured Party has been granted a security interest by the Borrower.

Representations of Secured Party.  
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2. The Secured Party warrants and represents that:

- a. The Secured Party was granted by the Borrower, and currently holds, a valid perfected security interest in all of the Purchased Assets.
- b. The Secured Party has not previously sold, assigned, transferred, or encumbered the Purchased Assets.
- c. The execution by the Secured Party of this Secured Party's Bill of Sale and the performance by the Secured Party of its obligations hereunder have been duly authorized by all requisite corporate action. Neither such execution nor such performance will violate any order of any court or governmental agency or any agreement by which the Secured Party is bound:

d. This secured party's sale is conducted in accordance with Section 9-504 of the Uniform Commercial Code.

e. The Purchaser shall acquire all of the Borrower's right, title, and interest in and to the Purchased Assets free and clear of the lien and security interest pursuant to which this sale is made, as well as any lien or security interest subordinate thereto.

Representations and Acknowledgments of Purchaser.  
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3. The Purchaser acknowledges and agrees that, except as expressly provided in Paragraph 2, above:

- a. This secured party's sale is made WITHOUT any representations or warranties whatsoever by the Secured Party, whether expressed, implied, or imposed by law. Without limiting the generality of the foregoing exclusion of representations and warranties, this secured party's sale is made WITHOUT ANY WARRANTY OF MERCHANTABILITY and WITHOUT ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.
- b. The Purchaser acknowledges and agrees that the Secured Party is selling only those Purchased Assets in which the Secured Party has been granted a security interest by the Borrower, and not any items of leased property or other items in the possession of the Borrower, but not owned by the Borrower.
- c. The Purchaser acknowledges. and agrees that the Purchaser is not purchasing any of the other assets of the Borrower, all of which are expressly excluded from this secured party's sale.

d. The Purchaser further warrants and represents that the Purchaser (i) has made its own independent investigation and evaluation as to the nature and sufficiency of the Purchased Assets, (ii) is acquiring the Purchased Assets AS IS and WHERE IS, (iii) has entered into this transaction after consultation with independent counsel of the Purchaser's own selection, and (iv) is not relying

upon any representation or warranty of the Secured Party in consummating this transaction.

e. Upon delivery of this Secured Party's Bill of Sale, all risk of loss with respect to the Purchased Assets shall transfer to the Purchaser. The Purchaser further acknowledges and agrees that by accepting this Secured Party's Bill of Sale, the Purchaser has received all of the Purchased Assets to be transferred hereunder and the Secured Party has performed all and singular its obligations to the Purchaser in connection with this transaction.

f. The Purchaser warrants and represents that the Purchaser has full power and authority to execute, deliver, and perform its agreements set forth herein, and the person executing and delivering this Secured Party's Bill of Sale in the name, and on behalf of the Purchaser has been duly authorized so to do.

Remedy for Breach of Representations and Warranties  
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4. Upon the determination by a court of competent jurisdiction that any of the representations or warranties made by the Secured Party as set forth in Paragraph 2, above, was not materially true, accurate, or complete, the Purchaser shall be entitled to a refund of all or a portion, as may be appropriate under the circumstance, of the Purchase Price actually paid by the Purchaser to the Secured Party. The Purchaser acknowledges and agrees that the Purchaser's sole and exclusive remedy for any such breach, both at law and in equity, shall be limited to such a refund. In no event shall the Secured Party ever be liable to the Purchaser or its successors or assigns for any incidental, consequential, special, or punitive damages arising out of any breach by the Secured Party of the terms and conditions of this Secured Party's Bill of Sale or otherwise in any way relating to this transaction or the Purchased Assets.

Indemnification of Secured Party by Purchaser

5. The Purchaser shall indemnify, defend, and hold (i) the Secured Party, and (ii) any employee, officer, or agent of the Secured Party (each, an "Indemnified Person") harmless of and from any claim brought or threatened against any Indemnified Person by any person or entity (as well as from attorneys' reasonable fees and expenses in connection therewith) arising out of, or on account of, facts, circumstances, and occurrences which arise or occur from and after the date of this Secured Party's Bill of Sale due to the acts or omissions of the Purchaser (each of which may be defended, compromised, settled, or pursued by the Indemnified Person with counsel of the Secured Party's selection, but at the expense of the Purchaser) other than any claim as to which a final determination is made in a judicial proceeding (in which the Secured Party and any other Indemnified Person has had an opportunity to be heard), which determination includes a specific finding that the Indemnified Person seeking indemnification had acted in a grossly negligent manner or in actual bad faith.

Miscellaneous

6. This Secured Party's Bill of Sale constitute the entire agreement between the Secured Party and the Purchaser, shall be construed in accordance with the internal law of The Commonwealth of Massachusetts without regard to any conflicts of laws or principles, and is intended to take effect as a sealed instrument.

a. The Purchaser agrees that any legal action proceeding, case, or controversy against the Purchaser with respect to this Secured Party's Bill of Sale may be brought in the Superior Court of Suffolk County Massachusetts or in the United States District Court, District of Massachusetts, sitting in Boston, Massachusetts, as the Secured Party may elect in the Secured Party's sole discretion. By execution and delivery of this Secured Party's Bill of Sale, the Purchaser, for itself and in respect of its property, accepts, submits, and consents generally and unconditionally, to the jurisdiction of the aforesaid courts.

b. The Purchaser WAIVES personal service of any and all process upon it, and irrevocably consents to the service of process our of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by certified mail, postage prepaid, to the Purchaser at the Purchaser's address set forth above.



c. The Purchaser WAIVES, at the option of the Secured Party, any objection based on forum non conveniens and any objection to venue of any action or proceeding instituted under this Secured Party's Bill of Sale or the Agreement and consents to the granting of such legal or equitable remedy as is deemed appropriate by the Court.

d. Nothing herein shall affect the right of the Secured Party to bring legal actions or proceedings in any other competent jurisdiction.

e. The Purchaser agrees that any action commenced by the Purchaser asserting any claim or counterclaim arising under or in connection with this Secured Party's Bill of Sale or the Agreement shall be brought in the Superior Court of Suffolk County Massachusetts or in the United States District Court, District of Massachusetts, sitting in Boston, Massachusetts, and that such Courts shall have exclusive jurisdiction with respect to any such action.

Executed at Boston, Massachusetts this 12th day of January, 2001.

"Secured Party"

FLEET NATIONAL BANK, Agent

By: /s/

Title: Authorized Officer

Date: January 12, 2001

Accepted on the terms set forth herein:

"Purchaser"

HEALTH & NUTRITION SYSTEMS  
INTERNATIONAL, INC.

By: /s/Christopher Tisi

Title: President

Date: January 12, 2001

Consented to by:

HERITAGE CONSUMER PRODUCTS, LLC

By: /s/ Ronald N. Kittner

Title: President

Date: January 12, 2001

EXHIBIT "A"

Purchased Assets

All "Accutrim inventory described on Schedule 1 hereto, all outstanding purchase orders, if any, received by the Borrower for "Accutrim" inventory, and the trademarks relating to the "Accutrim" brand listed on Schedule 2 hereto.

SCHEDULE 1

[HERITAGE  
LOGO]

HERITAGE CONSUMER PRODUCTS, L.L.C.  
Analysis of Prepaid Vendor Advances  
Account #14050

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	Reference	Description		Units (Tablets)	Dollars
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Garden State Nutritional:					
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10/16/00	00010939	Acutrim AM (50% deposit tabs)	P.O. Box #51642	1,521,083	\$ 41,025.00
	00010939	Acutrim PM (50% deposit tabs)	P.O. Box #51643	1,509,411	\$ 39,750.00
11/18/00	423127500	Acutrim AM (50% D.P.) addl tabs due 12/18	P.O. Box #451642	1,000,000	\$ 13,675.00
11/8/00	423131500	Acutrim PM (50% deposit tabs) addl tabs due 12/18	P.O. Box #51643	500.000	\$ 6,625.00
11/10/00	51651-VA	Acutrim PM (50% deposit tabs) tabs for Jan. promo	P.O. Box #51650	2,000.000	\$ 26,500.00
11/10/00	51650-VA	Acutrim AM (50% deposit tabs) tabs for Jan. promo	P.O. Box #51651	1,875.00	\$ 25,640.50
12/4/00	00011067	Acutrim Natural AM & PM (Bal due prev. orders)	P.O. Box #51583/84		\$ 812.85
	Subtotal				\$ 154,028.35
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SCHEDULE 2

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Trademark

Registration Number

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Acutrim

1266820  
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TRADEMARK ASSIGNMENT

This Trademark Assignment (hereinafter referred to as "Assignment") is effective as of the 12th day of January, 2001, by and between Heritage Consumer Products, LLC., a Delaware limited liability company (hereinafter referred to as "Assignor") having its principal place of business at Brookfield Commons, 246 Federal Road, Suite CL-14, Brookfield, Connecticut 06804, and Health & Nutrition Systems International, Inc. (hereinafter referred to as "Assignee") having its principal place of business at 3750 Investment Lane, Suite 5, West Palm Beach, Florida 33404.

WHEREAS, Fleet National Bank, as Agent (the "Agent") transferred certain of the assets of the Assignor in which the Agent claimed a security interest to Assignee;

WHEREAS, Assignor has adopted, used, is using, and is the owner of the trademarks reflected on the trademark registrations and Application for Trademark Registration listed in Schedule A, attached hereto and incorporated herein by this reference, and all other rights appurtenant thereto, including, but not limited to, all common law rights, trade name rights, causes of action, and the right to recover for past infringement (hereinafter collectively referred to as ("Trademarks"));

WHEREAS, Assignee is desirous of acquiring all rights, title, and interest in and to the Trademarks;

WHEREAS, in connection with the sale by the Agent to the Assignee, Assignor is willing to execute this Trademark Assignment confirming the assignment to Assignee all rights, title, and interest in and to the Trademarks;

NOW, THEREFORE, for good and adequate consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns and sells to Assignee all rights, title and interest as Assignor may possess in and to the Trademarks as set forth in Schedule A and goodwill of the business associated therewith.

HERITAGE CONSUMER PRODUCTS, LLC  
a Delaware limited liability company

Executed as of this 12th

day of January, 2001.

By: /s/ Ronald N. Kittner  
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Name: Ronald N. Kittner  
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Title: President  
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SCHEDULE A

Word Mark: ACUTRIM LATE DAY  
Goods and Services: IC 005, US 018, G&S: APPETITE SUPPRESSANT. FIRST USE: 19860424. FIRST USE IN COMMERCE: 19860424  
Mark Drawing Code: (1) TYPED DRAWING  
Serial Number: 73601100  
Filing Date: May 27, 1986  
Published for Opposition: September 30, 1986  
Registration Number: 1421697  
Registration Date: December 23, 1986  
Owner: (REGISTRANT) CIBA-GEIGY CORPORATION CORPORATION NEW YORK 444 SAW MILL RIVER ROAD ARDSLEY NEW YORK 10502  
Assignment Recorded: ASSIGNMENT RECORDED  
Attorney of Record: JOANN VILLAMIZAR  
Prior Registrations: 1266820  
Type of Mark: TRADEMARK  
Register: PRINCIPAL  
Affidavit Text: SECT 15. SECT 8 (6-YR)  
Live/Dead Indicator: LIVE

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Word Mark: ACUTRIM COMPLETE  
Goods and Services: IC 005, US 006 018 044 046 051 052. G&S: Pharmaceutical products, specifically appetite suppressants  
Mark Drawing Code: (1) TYPED DRAWING  
Serial Number: 75525378  
Filing Date: July 24, 1998  
Filed ITU:: FILED AS ITU  
Published for Opposition: October 10, 2000  
Owner: (APPLICANT) Heritage Consumer Products, LLC LIMITED LIABILITY COMPANY DELAWARE Breakfield Commons 246 Federal Road, Suite CL-41 Brookfield CONNECTICUT 06804  
Attorney of Record: GARY I. YINGLING  
Disclaimer: NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "COMPLETE" APART FROM THE MARK AS SHOWN  
Type of Mark: TRADEMARK  
Register: PRINCIPAL  
Live/Dead Indicator: LIVE

Word Mark: ACUTRIM  
Goods and Services: IC 005, US 018, G & S: Appetite Suppressant. FIRST USE:  
19821008. FIRST USE IN COMMERCE: 19821008  
Mark Drawing Code: (1) TYPED DRAWING  
Serial Number: 73400290  
Filing Date: October 18, 1982  
Published for Opposition: November 22, 1983  
Registration Number: 1266820  
Registration Date: February 14, 1984  
Owner: (REGISTRANT) Ciba-Geigy Corporation d.b.a. Ciba  
Consumer Pharmaceuticals CORPORATION NEW YORK  
444 Saw Mill River Road Ardsley NEW YORK 10502  
Assignment Recorded: ASSIGNMENT RECORDED  
Type of Mark: TRADEMARK  
Register: PRINCIPAL  
Affidavit Text: SECT 15. SECT 8 (6-YR)  
Live/Dead Indicator: LIVE



AGREEMENT BETWEEN HEALTH & NUTRITION

SYSTEMS INTERNATIONAL, INC.

AND

STEVEN POMERANTZ

THIS AGREEMENT is entered into by and between STEVEN POMERANTZ of 6020 N.W. 67th Court, Parkland, FL 33067 (hereinafter POMERANTZ), and HEALTH & NUTRITION SYSTEMS INTERNATIONAL, INC., 3750 Investment Lane, Suite 5, West Palm Beach, Florida 33404 (hereinafter HNS and/or Company) (both referred to as parties) on this 12th day of January, 2001, and in consideration of the mutual promises made herein, the parties hereby agree as follows:

1. STEVEN POMERANTZ shall pledge a C.D. (C.D.) in the amount of 100,000.00 currently held at SunTrust Bank, Northlake Branch, North Palm Beach County, Florida in the name of Steven Pomerantz for a loan to be obtained by HNS in the principal amount of \$100,000.00, said loan to be obtained on terms mutually agreeable to POMERANTZ and HNS.

2. HNS agrees that it shall abide by all terms and conditions of said loan and shall not cause any default to occur pursuant to this agreement or pursuant to any loan agreement with SunTrust, which shall in any way, adversely affect the C.D. held by POMERANTZ.

3. POMERANTZ, shall at any time be permitted to withdraw the collateral upon thirty (30) days' written notice to HNS and, if necessary, to SunTrust, at which time the loan will be paid in full by HNS.

4. HNS specifically agrees that, if POMERANTZ desires to withdraw the collateral, that it shall repay immediately all sums due and owing to SunTrust.

5. HNS, upon receipt of the loan proceeds, shall pay to POMERANTZ, as compensation for providing the collateral for this loan the sum of \$5,000.00.

6. In the event of any default pursuant to this Agreement, and if it is necessary for any party to seek to enforce this Agreement, the prevailing party shall be entitled to attorney's fees and costs, all deemed to be expenses.

7. It is further agreed by and between the parties that any action sought to enforce this Agreement, shall be brought in Palm Beach County, Florida.

/s/ Steven Pomerantz

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STEVEN POMERANTZ  
HEALTH & NUTRITION SYSTEMS  
INTERNATIONAL, INC., a Florida corporation

By: /s/ Christopher Tisi

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Name: Christopher Tisi

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Title: President  
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## Press Release

## Health And Nutrition Systems International, Inc. Purchases ACUTRIM Trademark

WEST PALM BEACH, Fla.--(BW HealthWire)--Jan. 24, 2001--Health And Nutrition Systems International, Inc. (OTCBB:HNNS - news) announced today that the company has purchased in an undisclosed cash transaction the "ACUTRIM" trademark and the outstanding inventory of the "new" Acutrim Natural AM and the Acutrim Natural PM product lines. Acutrim is currently being sold in over 25,000 Food, Drug, and Mass Market Retailers, such as Albertson's, American Drug Stores, Rite-Aid, Walgreens, Eckerds, Phar-Mor, Duane Reade, Target, and others. The Acutrim trademark was first established by Ciba-Geigy in 1982.

In making the announcement, HNS President Chris Tisi commented, "We believe the purchase of the Acutrim trademark and the resulting distribution provides us with a strong line extension for the diet category." Tisi also added "Acutrim is a branded name in the diet category that has been recognized for over 18 years."

Established in October 1993, HNS develops and markets weight management products. The company has established its products in over 20,000 Health Food and Drug Store Retailers such as GNC, Vitamin World, Vitamin Shoppes, Walgreens, CVS, Rite Aid, Eckerds, Albertson's, Pharmor and others, along with 4,000 independent health food stores, gyms and pharmacies through the company's B to B division called HNS Direct. For further information, please contact Flagler Communications Group at 561-832-4551. Please visit our website at [www.hnsglobal.com](http://www.hnsglobal.com).

? (NOTE: This News Release may contain certain forward looking statements. Any statements that are not statements of historical fact may be deemed to be forward-looking statements. Without limitation, the words "intend," "projects," "plans," "believes," "expects," "anticipates" and similar expressions are intended to identify forward-looking statements. There are a number of factors that could cause the company's actual results - including, without limitation, market acceptance of the ACUTRIM branded product as well as other products we sell, loss of chain store accounts, increased competition, product and technology changes and availability of the products we sell from our third-party suppliers - to differ materially from those indicated by such forward looking statements.) [GRAPHIC OMITTED] Contact:

Flagler Communications Group Inc., West Palm Beach  
 Jamie Dryer, 561/832-4551 or fax, 561/355-2388  
[jdryer@flaglercom.com](mailto:jdryer@flaglercom.com)

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 or

Health And Nutrition Systems International, Inc.  
 561/863-8446 or fax, 561/863-9511  
[www.hnsglobal.com](http://www.hnsglobal.com)