

Special Risks to Consider About *This* Franchise

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

1. ~~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 Texas. 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 Texas than in your own state.
2. **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.

Crazy Jose's® restaurant operating in the United States.

Description of the Franchised Business

We franchise the right to operate Restaurants according to the ÜBERRITO proprietary business format and system (“System”), which includes: (1) proprietary recipes and ingredients for food and alcoholic and non-alcoholic beverages, (2) distinctive building designs, interior and exterior layout, and trade dress, (3) standards and specifications for construction build-outs and materials, equipment, furnishings, fixtures, supplies, signs, and product lists, (4) technical assistance and training, (5) sales and management assistance and training, and (6) advertising techniques; all of which we may periodically change, improve, and further develop.

Restaurants are identified by the service mark ÜBERRITO and other proprietary trademarks, service marks, and indicia of origin that we designate to identify businesses operating according to our System (“Marks”).

If we award you multi-unit development rights, you will sign our Development Agreement (see [Exhibit B](#)) and commit to develop at least two Restaurants. The Development Agreement will state the number of Restaurants to be developed and will establish a development timetable. Each Restaurant will operate according to the terms of a separate Franchise Agreement. Your first Restaurant will operate according to the terms of our current Franchise Agreement (see [Exhibit C](#)). Your second Restaurant and each additional Restaurant developed under the Development Agreement will operate according to the terms of the Franchise Agreement being offered to new franchisees at that time, which may be materially different than our current Franchise Agreement. Upon establishing each additional outlet under the Development Schedule an Area Developer may be required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

Under certain conditions, we will also offer you the opportunity to operate a food truck in a protected territory with our approval. If you acquire these rights, you will sign a food truck license amendment (“Food Truck License Amendment”), and pay us an additional license fee (see Item 5). Your food truck will offer and sell a limited, approved version of the ÜBERRITO Restaurant menu, utilizing our formulas and methods for preparing approved products.

Market and Competition

The restaurant business, and in particular the market for taco, burrito and freshly prepared salad restaurants, is highly competitive and well developed. If you qualify to operate a Restaurant, you will compete with independent, local, regional, and national chains offering the same or similar goods and services. Other nearby restaurants may be owned by us and/or our affiliates, under the same or different trade name or trademark. Some competitors may be well established. Your success in competing in this market will be largely dependent on your abilities, skills, involvement with the Restaurant, financial strength, general economic conditions, geographical area, and specific location.

The Franchised Business will also compete with other restaurants and retail businesses for management personnel and for highly sought-after commercial real estate.

Industry Specific Regulation

The Franchised Business must comply with laws and regulations that apply to businesses generally, including the Americans with Disabilities Amendments Act, Federal Wage and Hour Laws, the Fair and Accurate Credit Transactions Act, and the Occupational, Health, and Safety Act. The Franchised Business also must comply with all laws and regulations that apply to restaurants and food safety handling including regulations promulgated by the U.S. Food and Drug Administration, the U.S. Department of Agriculture, and those issued and enforced by state and local health departments. State and local agencies inspect Restaurants to ensure that they comply with these laws and regulations.

You must have a liquor license before you can sell alcoholic beverages at your ÜBERRITO Restaurant. The difficulty and cost of obtaining a liquor license and the procedures for securing the license vary greatly

the franchisee is a business entity, the Key Person must hold at least a 10% equity interest in the business entity. The Key Person must successfully complete our initial training program and must devote full-time efforts to the management and operation of the Franchised Business.

If the franchisee operates multiple ÜBERRITO Restaurants, or if the Key Person will not devote full-time efforts to the management and operation of the Restaurant, then, in addition to the Key Person, you must appoint an individual to serve as your Designated Manager. Your Designated Manager need not have an equity interest in the franchise, but must have completed our initial training program to our satisfaction. Your Designated Manager must devote his or her full-time efforts to Restaurant operations and management and may not engage in any other business or activity that requires substantial management responsibility or time commitment. We must approve your Designated Manager as meeting our qualifications for the position. If your Designated Manager ceases to serve in, or no longer qualifies for, the position, you must designate a replacement Designated Manager within 30 days. Your replacement Designated Manager must successfully complete our initial training program before assuming responsibility.

If, at any time, the Restaurant is not being managed by a Designated Manager who has satisfactorily completed the training program, we or a designated management services provider may, but are not required to, enter into a management services agreement with you. The management services agreement will not relieve you of your obligations under the Franchise Agreement or constitute a waiver of our right to terminate the franchise. We are not liable for any debts, losses, costs, or expenses incurred in the operation of your Restaurant while the management services agreement is in place, and we or the management services provider may charge you a management services fee. We may cease to provide such management services at any time, in our sole discretion.

If the franchisee is a business entity, each Owner, but not the Owner's spouse, must sign a Guaranty and Personal Undertaking substantially in the form attached as Attachment B-1 to the Franchise Agreement and Attachment B-1 to the Development Agreement. Any person we designate, including but not limited to spouses of Owners, and any individual who attends our initial training program, including your Designated Manager and/or your Restaurant Manager, must sign a confidentiality and noncompetition agreement substantially in the form attached as Attachment B-2 to the Franchise Agreement. The term "Owner" means each individual or entity holding a beneficial ownership in the franchisee. It includes all current and future shareholders of a corporation, all current and future members of a limited liability company, all current and future general and limited partners of a limited partnership, and the grantor and current or future trustee of the trust.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all menu items that we require, and only those menu items that we have approved, and in the method or manner we determine, including dine-in, carry-out, and catering. You shall prepare, package, and serve all menu items according to our recipes, standards and procedures for preparation, presentation and service as communicated to you from time to time via the Operations Manual or other written directives. Our standards and procedures may include, without limitation, adherence to recipes (including use of prescribed ingredients and prescribed measure of ingredients), use of containers and paper goods bearing the Marks, packaging procedures, product holding times, and other standards for displaying for sale menu items and other merchandise. We may add, eliminate, or modify authorized goods and services, in our sole discretion. There are no contractual limitations on our rights to make these changes.

In addition, you are prohibited from using the Restaurant for any purpose not related to the conduct of the Restaurant's business. We do not impose limitations on the persons to whom you may provide food, beverages, products, and services, or place any restrictions or conditions that limit your access to customers. You may not advertise, offer for sale or sell any damaged products. All such inferior items must be withdrawn from sale and removed from the premises of the Restaurant.

As of December 26, 2021, we had three company or affiliate-owned ÜBERRITO restaurants in operation, all of which operated for the full calendar ~~years~~year of ~~2019, 2020, and~~ 2021. There were ~~three~~two franchised restaurants, each of which were in operation for only part of this time period. The chart below reflects historical information concerning the 2021 gross revenue information provided by the three company or affiliate-owned restaurants ~~that operated and~~ the ~~entire past two calendar years~~franchised restaurants open for only part of 2021.

<u>Company</u> Location	Gross Revenue ^{1, 2} 2020 <u>2021</u>	Gross Revenue <u>Net</u> Income ³ 2021
Atascocita	\$1, 367,365 <u>453,398</u>	\$1,453,398 <u>\$121,487.00</u>
Durham	\$762,952 <u>840,249</u>	\$840,249 <u>(\$31,418.00)</u>
Katy	\$1, 259,516 <u>399,141</u>	\$1,399,141 <u>\$107,544.00</u>
<u>Franchised</u> <u>Location</u>	<u>Gross Revenue^{1, 2} 2021</u>	<u>Net Income^{3,4} 2021</u>
<u>Arcadia</u>	<u>\$80,192.64</u>	<u>Unavailable</u>
<u>Columbia</u>	<u>\$63,571.20</u>	<u>Unavailable</u>

Note 1: “Gross Revenue” is the total gross revenue actually realized for the year in operation during fiscal year ended. Gross Revenue does ~~does~~-not include sales tax collected.

Note 2: The franchisee-owned restaurants will pay royalties, and other fees due under the franchise agreement that the company or affiliate-owned restaurants may not pay. The start-up costs for franchisee-owned restaurants may also be higher due to experience levels of the operators and the up-front capital required to start a business.

Note 3: “Net Income” is the total gross revenue actually realized for the year in operation during fiscal year ended minus costs of goods sold, labor costs, rental and leasehold expenses, and operating expenses.

Note 4: For 2021, Arcadia was only open January through April, and Columbia was only open November and December. For Net Income, or other information, you may contact the franchisee directly.

Some restaurants have sold these amounts. Your individual results may differ. There is no assurance that you will sell as much.

Written substantiation for the financial performance representation will be made available to you upon reasonable request.

Except for the information presented above, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Greg Snodgrass, COO, Burrito Holdings Franchise Services, Inc., 12000 Aerospace Avenue, Suite 400, Houston, Texas 77034; 832-300-5858, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System wide Outlet Summary

For Years 2019 to 2021

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2019	0	0	0
	2020	0	3	3
	2021	3	1	-2
Company Owned	2019	7	6	-1
	2020	6	5	-1
	2021	5	3	-2
Total Outlets	2019	7	6	-1
	2020	6	8	+2
	2021	8	4	-4

Note 1. Our fiscal year-end is based on a 52/53 reporting period that ends on the Sunday closest to December 31. Therefore, all 2021 numbers are as of December 26, 2021, all 2020 numbers are as of December 27, 2020 all 2019 numbers are as of December 29, 2019.

Table No. 2
Transfers of Outlets from Franchisee to New Owners (other than the Franchisor)

For Years 2019 to 2021

State	Year	Number of Transfers
Total	2019	0
	2020	1
	2021	0

Table No. 3
Status of Franchised Outlets

For Years 2019 to 2021

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
Arizona	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	1	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
South Carolina	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
Texas	2019	0	0	0	0	0	0	0
	2020	0	2	0	0	0	0	2
	2021	2	0	0	0	0	2	0
Totals	2019	0	0	0	0	0	0	0
	2020	0	3	0	0	0	0	3
	2021	3	1	0	0	0	3	1

*Some restaurant closures may have been impacted by declining traffic due to Covid 19.

Table No. 4
Status of Company-Owned Outlets

For Years 2019 to 2021

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Arizona	2019	2	0	0	1	0	1
	2020	1	0	0	0	1	0
	2021	0	0	0	0	0	0
Texas	2019	5	0	0	0	0	5
	2020	5	0	0	0	0	5
	2021	5	0	0	2	0	3
Total	2019	7	0	0	1	0	6
	2020	6	0	0	0	1	5
	2021	5	0	0	2	0	3

Table No. 5
Projected Openings
As of December 27, 2021

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Texas California	0	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Texas <u>Maryland</u>	40	1	30
<u>Minnesota</u>	<u>0</u>	<u>1</u>	<u>0</u>
Texas	01	40	03
Totals	1	3	3

Exhibit E reflects the name of each of our franchisees and the address and telephone numbers of their Restaurants as of December 26, 2021. Exhibit E also reflects the name, city, state, and current business (or if unknown, home) telephone number, of every franchisee who ceased to do business under the Franchise Agreement or had an outlet terminated, canceled, not renewed, or transferred within the last fiscal year ended December 26, 2021, or who has not communicated with us within 10 weeks of the application date of this disclosure document.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise System.

There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Franchise Disclosure Document.

ITEM 21 FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit A are the audited balance sheets of Burrito Holdings Franchise Services, Inc. as of December 26, 2021, December 27, 2020, and December 29, 2019, and the related statements of operations, changes in stockholders' equity, and cash flows for the fiscal years then-ended, and the related notes, as well as unaudited financial statements for ending March 27, 2022.

ITEM 22 CONTRACTS

Attached to this disclosure document are the following contracts and their attachments:

Attached as Exhibit B is our current form of Development Agreement with all Attachments.

Attached as Exhibit C is our current form of Franchise Agreement with all Attachments.

Attached as Exhibit D is our current form of General Release (sample form).

ITEM 23 RECEIPTS

The last two pages of this disclosure document are detachable duplicate Receipts. Please sign and date both copies of the Receipt. Keep one signed copy of the Receipt for your file and return to us the other signed copy of the Receipt. The Receipt contains the names of our franchise sellers or brokers.

STATE APPENDIX TO THE FRANCHISE DISCLOSURE DOCUMENT

FOR THE STATE OF CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

Item 3 of the disclosure document is supplemented by the following:

Neither the franchisor nor any person identified in Item 2 of the disclosure document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A., 78a et. seq., suspending or expelling such persons from membership in such association or exchange.

Items 5 and 7 of the disclosure document is supplemented by the following:

“Based on our current financial condition, as a condition to becoming registered to offer and sell franchises in the state of California, we have agreed to postpone your obligation to pay the initial franchise fees under the Franchise Agreement until we have met all of our initial pre-opening obligations and you have commenced operation of the Franchised Business.”

Item 17 of the disclosure document is supplemented by the following:

You must sign a general release if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

While the earnings claims figures do not reflect all operating expenses or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

The indemnification provision in the Franchise Agreement may not be fully enforceable as to punitive damages under California law.

The franchisee must comply with the requirements set forth in the Alcoholic Beverage Control Act and the California Code of Regulations, Title 4 for the sale of alcoholic beverages.

The maximum interest rate allowed in California is 10%.

Under California law, an agreement between a seller and a buyer regarding the price at which the buyer can resell a product (known as vertical price-fixing or resale price maintenance) is illegal. Therefore, requirements on franchisees to sell goods or services at specific prices set by the franchisor may be unenforceable.

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the offering circular.

California Business and Professions Code sections 20000 through 20043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreement requires the application of the laws of the state of Texas. This provision may not be enforceable under California law.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dbo.ca.gov.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

FOR THE STATE OF MARYLAND

Item 17 of the Disclosure Document is supplemented by the following:

The franchisee is not required to commence litigation in Texas, but, instead, may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

None of the representations required to be made by the franchisee to ÜBERRITO in the documents to be executed by the franchisee are intended to act as, and the party agree that they shall not be deemed to constitute, a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 et seq.).

This Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

FOR THE STATE OF MINNESOTA

Item 13 of the disclosure document is supplemented by the following:

California

Department of ~~Business Oversight~~ Financial Protection and Innovation

320 West 4th Street, Suite 750
Los Angeles, California 90013
(866) 275-2677

Hawaii

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

Office of Attorney General
500 S. Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana

Franchise Section
Securities Division
302 W. Washington St., Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Maryland

Office of Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

Michigan

Michigan Department of Attorney General
Consumer Protection Division
Franchise Section
525 W. Ottawa St.
G. Mennen Williams Bldg., 1st Floor
Lansing, Michigan 48909
(517) 373-7117

Minnesota

Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1500

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8285

North Dakota

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fifth Floor Dept. 414
Bismarck, North Dakota 58505-0510

Rhode Island

Securities Division
Department of Business Regulation
1511 Pontiac Avenue, Building 68-2
Cranston, Rhode Island 02920
(401) 462-9527

South Dakota

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

Virginia

State Corporation Commission
Division of Securities and Retail
Franchising
1300 Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

Washington

Administrator
Department of Financial Institutions
Securities Division
150 Israel Road S.W.
Tumwater, Washington 98501

Wisconsin

Franchise Administrator
Division of Securities
Department of Financial Institutions
201 West Washington Avenue
Madison, Wisconsin 53703

AGENTS FOR SERVICE OF PROCESS

STATE	AGENT
<u>California</u>	<u>Department of Financial Protection and Innovation</u> <u>320 West 4th Street, Suite 750</u> <u>Los Angeles, California 90013</u>
Maryland	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021
Minnesota	Minnesota Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198
Texas	Registered Agents, Inc. 5900 Balcones Drive, Suite 100 Austin, Texas 78731

**RIDER TO THE BURRITO HOLDINGS FRANCHISE SERVICES, INC.
FRANCHISE AGREEMENT FOR USE IN CALIFORNIA**

THIS AMENDMENT TO FRANCHISE AGREEMENT (“**Amendment**”) dated _____, 20____ is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the “**Franchise Agreement**”) dated _____, 20____, by and between Burrito Holdings Franchise Services, Inc. (“**BHFSI**” or “**Franchisor**”), and _____ (“**you**” or “**Franchisee**”). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Section 4.1. of the Franchise Agreement is amended by the following:

As a condition to becoming registered to offer and sell franchises in the state of California, BHFSI has agreed to postpone your obligation to pay the Initial Franchise Fee specified in the Summary Pages until BHFSI has met its initial pre-opening obligations and you have commenced operation of the Franchised Business (the “**Fee Deferral Requirement**”). Therefore, notwithstanding anything to the contrary in this Section 4.1. of the Franchise Agreement, payment of the Initial Franchise Fee is due when BHFSI has met its initial pre-opening obligations to you and you have commenced operation of the Franchised Business.”

2. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

3. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Corporations Code, Section 31125 are met independently without reference to this Amendment.

4. The franchisee must comply with the requirements set forth in the Alcoholic Beverage Control Act and the California Code of Regulations, Title 4 for the sale of alcoholic beverages.

5. Under California law, an agreement between a seller and a buyer regarding the price at which the buyer can resell a product (known as vertical price-fixing or resale price maintenance) is illegal. Therefore, requirements on franchisees to sell goods or services at specific prices set by the franchisor may be unenforceable.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR:

**BURRITO HOLDINGS FRANCHISE
SERVICES, INC., a corporation**

By: _____
Title: _____

FRANCHISEE

**(IF CORPORATION, LIMITED LIABILITY
COMPANY OR PARTNERSHIP):**

[Name]

By: _____
Title: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

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
<u>California</u>	<u>Pending</u>
Maryland	<u>Pending</u>
Minnesota	<u>Pending</u>
Wisconsin	June 9, 2022

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.