

FRANCHISE DISCLOSURE DOCUMENT



Leon Commerce Co., LLC
a Utah limited liability company
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www.SweetoBurrito.com

As a franchisee, you will operate an inline store front business offering specialty burritos, wraps, salads, bowls, and other food related items. The franchise authorizes you to engage in our system under the name Sweeto Burrito™ and other proprietary marks. Our system includes, among other things, an operations manual, methods, standards, merchandising, marketing, décor, recipes, products and services, specifications, and procedures and other confidential business information, operating procedures, and specifications for a Sweeto Burrito™ business as appropriate.

The total investment necessary to begin operation of a Sweeto Burrito™ franchise is between \$198,500 - \$446,500 (not including rent). This includes the \$31,500 - \$81,500 that must be paid to the franchisor or affiliate. See Items 5 and 7.

Under this offering, you are permitted to purchase either a single unit or multiple units pursuant to an area developer agreement. This number of units is negotiated between you and us, but you will be required to pay an upfront development fee based on the number of units to be developed. See Items 5 and 7.

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 regarding the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Miguel Hernandez at 930 Chambers Street, Suite 7, Ogden, Utah 84403, (801) 668-2594 and Miguel@SweetoBurrito.com.

The terms of your contract will govern your franchise relationship. Don't rely on this disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this document to an advisor, like an attorney 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 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.

Issuance Date: June 10, 2021

HOW TO USE THIS FRANCHISE DISCLOSURE DOCUMENT

Here are some questions you may be asking about purchasing a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, and losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information on Item 20 or Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Sweeto Burrito™ business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Sweeto Burrito™ franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the Table of Contents.

WHAT YOU NEED TO KNOW ABOUT FRANCHISING *GENERALLY*

Continuing responsibility to pay fees. You may have to pay royalties and other fees, even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier Restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating Restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from Franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When Your Franchise Ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends, even if you still have obligations to your landlord or other creditors.

SOME STATES REQUIRE REGISTRATION

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit F.

Your state also may have laws that require special disclosures or amendments to be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

SPECIAL RISKS TO CONSIDER ABOUT *THIS* FRANCHISE

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

1. **Out-of-State Dispute Resolution.** This franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Utah. 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 Utah than in your own state.

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.

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FRANCHISE DISCLOSURE DOCUMENT

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The name of the franchisor is Leon Commerce Co., LLC. In this disclosure document Leon Commerce Co., LLC is referred to as “we” or “us” or “our” or Sweeto Burrito™; “you” or “yours” means the person or persons, individually and collectively, who buys the franchise from us and includes the owners of a franchise that is a corporation, partnership or other entity. If you are a corporation, partnership or other entity, your owners, and their spouses, must sign an agreement that all provisions of the franchise agreement also will apply to your owners as they must personally guarantee and be personally bound by your obligations under the franchise agreement.

Our company is a limited liability company and was organized on March 3, 2021 in the State of Utah under the name Leon Commerce Co., LLC. Our principal place of business is 930 Chambers Street, STE 7, Ogden, Utah 84403. Our fiscal year ends on December 31.

We do not do business under any names other than Leon Commerce Co., LLC. We are in the business of franchising Sweeto Burrito™ businesses. We do not own an interest in a business of the type to be operated by you, and we do not have any other business activities other than franchising.

Our agents for service of process in various states are disclosed in Exhibit “E”.

As of the date of this disclosure document, we have not offered for sale or sold franchises in any other line of business. In addition, we did not begin offering or selling franchises in this business until June 2021.

Parent, Affiliates, & Predecessors

We license the intellectual property necessary to franchise Sweeto Burrito™ from Sweeto Burrito Management, LLC located at 930 Chambers Street, STE 7, Ogden, Utah 84403, and organized on August 20, 2018 in the state of Utah. Its predecessor, Sweeto Burrito, LLC (organized on October 13, 2011 in Idaho), previously offered franchises under the name Sweeto Burrito™ and sold approximately 10 franchises from 2011-2016, but ceased selling new franchises. Sweeto Burrito Management, LLC currently provides services to those franchises, but is not selling Sweeto Burrito™ franchises.

We have no other parents, affiliates, or predecessors required to be disclosed in this disclosure document.

General Description of Market and Competition

The general market for specialty burritos, wraps, salads, and bowls is well developed, and you will be required to compete for potential customers in your territory. No studies or surveys have been done to determine a need for these products within your territory. You will typically compete with other established restaurants offering burritos, wraps, salads, or bowls and fast casual restaurants. There are many of these competitors from large national chains to small independent operators. You may also encounter competition from other Sweeto Burrito™ franchises operated by us or other franchisees outside your territory.

Laws and Regulations

You will be required to follow all federal, state, and local business laws and regulations and may be required to obtain applicable business licenses. You must investigate local zoning rules because they may limit where you can locate your franchise business and may affect the design features including the building façade and signs. The details of state, county and local laws and regulations vary from place to place. You must research these matters. Please be aware that the changes in these laws may increase the cost to operate your business. You are solely responsible to determine what local or state regulations, permits and licenses you will need to comply with and/or obtain to conduct the franchise business in a particular state, city, or town.

In addition to laws and regulations that apply to businesses generally, your franchise may be subject to federal, state, and local regulations and guidelines governing the food service industry. The Food and Drug Administration, the United States Department of Agriculture and other food industry organizations, including the National Restaurants Association, have established rules affecting this industry. You must comply with federal, state, and local health and consumer protection laws and regulations concerning food preparation, food handling (you may be required to obtain a food handler's permit), storage, "truth in menu" laws concerning menu item names and product labeling, and nutritional claims. State or federal entities may require you to have a permit as a water provider.

ITEM 2 BUSINESS EXPERIENCE

Manager: Miguel Hernandez

Miguel has been the Manager of Leon Commerce Co., LLC since its inception in March 2021. He is also the manager of Sweeto Burrito Management, LLC and has been working with the Sweeto Burrito™ concept since 2018. Since 2017, Miguel has been the general manager of the Tokyo Station restaurant, located in Ogden, Utah. Prior to that, he was the office manager of John Park's Allstate Insurance Company, located in Ogden, Utah, from 2002-2017.

Franchise Sales Manager: Paul Cryer

Paul has been the Franchise Sales Manager of Leon Commerce Co., LLC since its inception in March 2021. He is also currently a general manager for Sweeto Burrito Management, LLC. Previously he was the director of procurement for Sweeto Burrito, LLC from August 2018 until

October 2020. From January 2016 – August 2018, Paul was the director of business development for Sysco Intermountain, in Salt Lake City, Utah.

**ITEM 3
LITIGATION**

No litigation is required to be disclosed in this item.

**ITEM 4
BANKRUPTCY**

No bankruptcies are required to be disclosed in this item.

**ITEM 5
INITIAL FEES**

Franchise

You receive the option either to open a single franchise unit or to enter into an area developer agreement under which you may open and develop multiple units. The initial franchise fee is payable as a lump sum for a single unit franchise is \$30,000. Each unit to be developed under an area developer agreement must be paid upon the signing of the area developer agreement. If you purchase 2 units, the fee is \$55,000. If you purchase 3 units, the fee is \$80,000. If you elect to enter into an area developer agreement, then the franchise agreements for all units to be developed must be signed at the same time as the area developer agreement.

Grand Opening Marketing

You will also pay us or an affiliate a grand opening marketing fee of \$1,500. If you are opening multiple units, you will have to pay this fee for each unit as each unit is opened.

Unless indicated above, these costs and fees are uniform and are non-refundable for all franchisees.

**ITEM 6
OTHER FEES¹**

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty ^{1, 3}	5% of gross sales payable to us.	Payable monthly by 5 th day of each month based on the preceding month's gross sales.	Gross sales include all revenue from the franchise business but does not include sales tax or bona fide credits.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Brand Development Fund Fee ^{1,3}	2% of gross sales payable to us.	Payable monthly by 5 th day of each month based on the preceding month's gross sales.	The brand development fee may be used by us for national or regional marketing, brand development, as we choose.
Marketing Cooperative	Up to the amount of gross sales required to be spent locally by you.	Payable monthly to the co-op, if established by us, by the 5 th day of each month.	If we form a local marketing co-op in your area, any marketing expenditures you pay to the co-op is credited against your local marketing obligation. Company owned franchises, if any, must participate in the co-op if formed, and will not control voting.
Local Marketing Requirement	2% of gross sales.	Spent quarterly	You will spend at least this amount every quarter to market your franchise business locally. We may require you to contribute all or a portion of your local marketing to a regional cooperative. We may increase the required local marketing amount.
Training	No fee for up to 3 attendees	Not Applicable	You must pay all your own travel, lodging and food expenses, for yourself and your attendees, while attending training. If you wish to have additional people attend training or request additional days of training, there is a fee of \$250/day for each attendee. See Item 11.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Additional Training ²	Currently the fee is \$250/day for each attendee, plus travel, food, lodging, and other expenses	Not Applicable	We require any new manager or operating principal to be trained by us. You must pay the cost of travel, lodging and food expenses for your manager or operating principal while attending this additional training. We can require you to attend any refresher training classes, in our sole discretion. If the franchise is transferred to a new owner, the new manager or operating principal will need to attend training.
Additional On-Site Assistance ²	Currently the fee is \$100 per day per representative if you request in person assistance or \$300 per day per representative if we require in person assistance at your franchise, plus travel, food, and lodging expenses of our representative(s) or the current fee in effect at the time.	In advance	We can adjust this fee at any time. The current fee will be listed in the manuals. We provide additional on-site consulting assistance as reasonably requested by you, or as required by us. See Item 11.
Relocation Fee	At cost	At the time of relocation request	Payable if you request to relocate your premises to a new territory or adjacent territories.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Transfer Fee	\$5,000	At time of approved transfer	Payable when you sell your franchise and prior to our signing any approval or new agreement. No charge if franchise is transferred to an entity that you own 60% or more and control. You cannot sell or transfer an undeveloped territory. The franchise unit must be open prior to any sale or transfer to a third party.
Late Charges	Currently the fees are: \$50 per day for each late payment or report, up to \$50 per day per late payment or report, plus 18% interest (or the maximum allowed under state law (whichever is less)).	Payable with royalty or reports or on demand	Charges and interest begin to accrue after the due date of any royalty, fee report or other required payment. California only allows 10% interest. We can adjust these fees at any time.
Renewal Franchise Fee	\$2,500	Prior to your entering into a renewal franchise agreement	Payable prior to your entering into a renewal franchise agreement if you elect to continue your franchise after the initial term for legal costs to renew. Renewal is available to you only if you meet each of the requirements for renewal described in the franchise agreement at the time the renewal election must be made.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Conference or Seminar Fee	\$250 to \$1000 for each attendee.	Prior to attending the conference or seminar	You must pay all your own travel, lodging and food expenses, for yourself and your attendees, while attending any conference or seminar.
Testing or Supplier Approval Fee	Reasonable expenses, at cost	Before we approve suppliers and in advance of testing or review analysis	Payable if you want to have unapproved suppliers or products tested or reviewed for our approval (see Item 8).
Fees on Default and Indemnity ²	Attorney's fees, costs, and interests	On demand, as incurred	Paid in addition to other payments to us.
Audit Charge	Cost of audit	On billing	Payable only if an audit shows an understatement of 2% or more of gross sales or records are unavailable.
Operation of your business in the event of your incapacity or death; interim management fee ²	Our then-current fee; currently the fee is \$500 per day, per representative, or our then current rate, plus food, travel and lodging for our representative(s) and other expenses which may be incurred by us to perform such services.	Time of service	If we elect to operate your business during your unapproved closing, unapproved absence, incapacity, death, or if you are not in compliance to prevent harmful interruption of your business. We can adjust this fee at any time.
E-Commerce Fee	0.5%	Weekly	This covers the costs of website maintenance, social media posts, online ordering, loyalty programs, and third-party delivery systems.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
System non-compliance fines and charges ²	Amount to be specified in the manual. Currently ranges between \$50 and \$1,000.	As incurred	To be paid in accordance with our electronic funds transfer or automatic withdraw program. Payable upon demand if you fail to correct deficiencies or non-compliance with our system.
Non-Compete Violation	\$150,000 for each competing business, plus our then-current royalty rate for all gross sales from the competing business(es).	Upon violation	If you violate the non-compete covenants in the franchise agreement, area developer agreement or any related agreements or if you use our system without our approval or permission. This does not apply to other violations of the franchise agreement.
Consumer Complaint Resolution Fee	\$50 per incident, plus our costs	When we receive customer complaint	If you do not resolve a customer complaint and we are required to assist them, you must reimburse us for any of our costs to respond to and compensate complaints from your customers.
Post-Termination Fees	Varies	As incurred	You will be responsible to pay us any post-termination expenses, including attorney's fees and costs to enforce your post-term obligations.

NOTES

¹Royalty and Other Fees. Except as shown in the remarks column, all fees are imposed and payable to us. All fees are uniform and non-refundable. If a sales or similar tax is assessed on the royalties or marketing fees, you may be required to pay us or the taxing authority the amount of this tax. We have the right to require you to establish a bank, sweep, draft or other similar type of electronic funds transfer ("EFT") account in which you must deposit the gross sales of your outlet

(not including local sales & use taxes) which account we may automatically access for any payment due to us. We require the royalties and other fees to be paid in accordance with our electronic funds transfer or automatic withdrawal program.

²Fee Increases. Any ongoing fee payable to us may be increased by us, but this increase will be no more than 10% annually, unless indicated otherwise.

²Indemnity. You must indemnify us from and against any and all claims or damages regarding the conduct and operation of your franchise.

³Reports. If requested by us, you must submit to us a gross monthly or weekly sales report, which will include all revenue, derived from your franchise business during the preceding month or week, due on 5th of each month or Monday of the following week. You must also submit to us a copy of your monthly state and local sales tax report and a monthly and annual profit and loss statement and balance sheet for your franchise. We must receive these reports by the 15th of the following month. Finally, you must provide us with the franchise's federal and state tax returns for each year.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
1. Initial Franchise Fee	\$30,000 - \$80,000 (Note 1)	Lump Sum	At Signing	Us
2. Travel and Living Expenses While Training	\$3,000 - \$5,000 (for 2 people trained) (Note 2)	As Incurred	During Training	Airlines, Hotels and Restaurants
3. Construction Costs (not including real estate purchase or lease)	\$75,000 - \$175,000 (Note 3)	As Incurred	As Incurred	Suppliers and Contractors
4. Equipment, Furniture, and Fixtures	\$40,000 - \$90,000 (Note 4)	As Incurred or Leased	Before Opening	Suppliers
5. Signs	\$5,000 - \$15,000 (Note 5)	As Incurred	Before Opening	Suppliers

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
6. Grand Opening Marketing and Assistance	\$1,500 (Note 6)	Lump Sum	At Signing	Us or an affiliate
7. Misc. Opening Costs (including deposits, licenses, and fees)	\$1,000 - \$5,000 (Note 7)	As Incurred	As Incurred	Suppliers
8. Opening Inventory	\$10,000 - \$15,000 (Note 8)	Lump Sum	Before Opening	Our Affiliate and other Suppliers
9. Marketing - 3 months	\$3,000 - \$10,000 (Note 9)	As Incurred	As Incurred	Us and Suppliers
10. Additional Funds – 3 months	\$30,000 - \$50,000 (Note 10)	As Incurred	As Incurred	Suppliers, Employees, Etc.
*TOTAL	\$198,500 - \$446,500 (Note 11)	<u>*Does not include royalties or brand development fees and does not include the cost to purchase or lease a location.</u>		

NOTES

¹ Franchise Fee. The initial franchise fee is due at the signing of the franchise agreement. It is not refundable, and we do not finance this fee.

² Training. You are responsible to pay all travel, living, and other associated training expenses for yourself and your employees during training, directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). It may cost you more for your travel to attend training depending on where you are located.

³ Construction Costs. You must purchase or lease a suitable location for your online store Sweeto Burrito™ franchise. We must approve of your location. Costs of commercial property or leases and improvements vary widely based on location, terms of the lease, the total area of your space as well as construction and material costs. We have not included an amount for the lease or purchase of real property because it is impossible to estimate and varies widely per location. You should review these costs with a local contractor, commercial real estate agent, architect and other professionals. Your space will vary depending on your needs, but we estimate you will need approximately 1500 square feet. The low end of the estimate takes into account getting a tenant improvement allowance from the landlord. The high end includes the cost of a drive through window. We do not provide standard plans and specifications for construction of improvements,

so you must retain an architect to help with the design; however, you are required to follow our décor specifications and all plans must be approved by us.

⁴ Equipment, Furniture, and Fixtures. You will be required to purchase certain equipment for storing, preparing, and cooking the food served in the franchise. You will be required to purchase a POS system and an office computer. This amount also includes an estimate for the cost of small wares. You may choose to lease some of the equipment for a monthly cost rather than paying for it upfront. The lower number reflects this option. You must negotiate all purchase agreements or leases with suppliers. For any items purchased from us, we require immediate payment.

⁵ Signs. This is for exterior and interior signage. You must purchase at least one exterior sign displaying the trademark, and a menu board, plus one interior sign, but more signs may be required if you have an end unit or monument(s) available for signage. All signs must conform to our specifications.

⁶ Grand Opening Marketing. You must pay us this amount to help on your grand opening marketing.

⁷ Miscellaneous Costs. These miscellaneous costs include utility costs, business entity organization expenses, employee training, deposits, insurance and licenses. You must obtain comprehensive general liability insurance, workers' compensation insurance and other insurances we specify in the franchise agreement and the operations manual.

⁸ Opening Inventory. Opening inventory items include things such as paper products, uniforms, and food items. The cost will vary depending on your inventory levels. This includes the opening inventory package that you are required to purchase from us or our affiliate. Payment to us or our affiliate is not refundable.

⁹ Marketing. Marketing is essential to the successful operation of your franchise business. We will assist you with the initial grand opening marketing (see note 6 above). This estimates the costs of additional marketing and promotional materials used for in-house marketing such as placards, posters, brochures, etc., as well as general and promotional marketing for at least 3 months. We must approve all marketing in writing. You cannot establish a website or social networking site, or market on the Internet without our prior written approval.

¹⁰ Additional Expenses. This estimates other initial start-up expenses that you may incur. You also need to budget for salaries and labor. Employee compensation is between you and your employee and may vary widely. Therefore, this compensation cannot be accurately estimated. In addition, you should include an amount of compensation payable to you.

¹¹ Total. These figures are estimates for the development of one franchise unit and you may have additional expenses starting your franchise business. Your costs will depend on factors such as: how well you follow our method and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our services; the prevailing wage rate; competition; and the sales level reached during the initial period. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We

do not offer direct or indirect financing for any item. We relied on the experience of our principals and franchisees to compile these estimates.

¹² Refunds. Unless indicated otherwise, none of these payments are refundable.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers and Proprietary Products

You must purchase the following products and services from us or other sources designated or approved by us:

- All food and beverage items
- P.O.S. system and software
- Credit card processing
- All products bearing our trademarks
- Equipment
- Furniture and fixtures
- Décor and signs
- Marketing
- Audio visual

You are also required to purchase select paper products and uniforms used in your business in accordance with our specifications and standards. Specifications and standards are provided to you through our operations manual and may be updated or modified by us periodically. We reserve the right to require that all items bearing our trademark and in the above table to be purchased from us or other sources designated or approved by us. If a designated supplier cannot supply a product, we will provide you with specifications for the product and/or designate a new designated supplier.

All approved suppliers and specifications are made available to you before the beginning of operations. We consider our specifications to be of critical importance to the success of the system. As to these matters, you must deal only with suppliers approved by us. You may be assessed fines and charges, in accordance with our operations manual, for purchasing, using or selling unapproved products or using unapproved or undesignated suppliers.

Occasionally, you may be required to buy special promotional items such as marketing materials, related products and goods from us or from suppliers we name regarding a promotional program or marketing strategy. In addition, we may enter into other contracts with suppliers for items or services. Pursuant to these arrangements or contracts, you will be required to purchase these goods from the designated or approved suppliers. We estimate that the purchase of products from designated or approved sources will represent approximately 75% to 85% of your overall purchases in opening your franchise business and 90% to 95% of your overall purchases in operating your franchise business.

We have negotiated some purchase arrangements with suppliers, including price terms, for the benefit of franchisees. We do not provide material benefits to franchisees based on the franchisee's purchase of particular products or services or use of particular suppliers (for example, grant renewals or additional franchises to franchisees based on purchases).

We may derive income through mark-ups in prices we charge to you for goods and services sold or provided by us or affiliates and from payments from suppliers for purchases made by you. Generally, any payments are part of the negotiation for group pricing and any income we may derive is used for our convention or added to the marketing fund. Currently, we have negotiated to receive payments from suppliers ranging from less than 2% to 15%, depending on the product/service. We estimate that any mark-up or payment will not be more than 20% for each good or service depending on the product and supplier. We are a new company, therefore in the year ending December 31, 2020 our revenues from the sale of products and services to franchisees was \$0, or 0% of our total revenues of \$0.

The franchise agreement requires that the food and beverage items, equipment and services required for the operation of your franchise business and other items sold by you must be purchased solely from approved suppliers that meet our specifications. Our specifications include standards for delivery, performance, quality, design and appearance. We will use our best judgment in setting and modifying specifications to maintain quality and integrity of the franchise system.

None of our officers have an ownership interest in any of our suppliers.

Non-Approved Suppliers

Except for certain trademark and private label items and designated source items described above, if you desire to use a particular supplier and if that supplier meets the specifications and requirements of our system, at our discretion, we may approve the supplier to become an approved supplier.

You may establish suppliers on the approved list by making appropriate application to us. The following general criteria is used in considering whether a supplier will be designated as an approved source: the ability of the supplier to make the product to our standards and specifications; a willingness by the supplier to cooperate and work with you and other franchisees; the suppliers' production and delivery capabilities and the financial condition of the supplier; the ability and willingness of the supplier to train you and us on the effective and safe use of the product and the supplier's professional competence and performance abilities.

If you desire to purchase any of these items or services from an unapproved supplier, you will submit to us a written request for this approval or request the supplier itself to do so. We may require you to submit sufficient information and data to permit us to ascertain whether any supplier meet our specifications. Before testing, reviewing and approval, you will be required to pay a testing and reviewing fee covering our reasonable expenses and costs of testing. The testing fees are not refundable whether or not we approve of a supplier. We will notify you in writing, within 60 days as to whether these services or products meet our specifications. We may, occasionally, make changes or alterations in the standards and specifications for the above items and approved

suppliers. At our discretion, we may revoke our approval from an approved supplier upon 30 days written notice to you.

Insurance

In addition, you are required at your own expense to keep in full force, by advance payment(s), during the entire term of the franchise the following minimum insurance policies, which minimums may be adjusted periodically:

(a) **Liability Insurance.** General liability insurance insuring against all liability resulting from damage, injury, or death occurring to all persons or property in or about the franchise business premises (including products liability insurance), the liability under such insurance to be not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate or leasehold minimum, whichever is greater (combined single limit for personal injury, including bodily injury or death, and property damage).

(b) You must also maintain and keep in force all worker's compensation and employment insurance on your employees that is required under the applicable laws of the state in which your franchise business is located.

These policies will insure both you and us and our officers and directors and nominees as additional insureds against any liability which may accrue by reason of your ownership, maintenance or operation of the franchise business wherever it may be located. These policies will stipulate that we will receive a 30-days written notice of cancellation, modification or termination. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to us must be furnished to us together with proof of payment within 30 days of issuance. These insurance coverage requirements are only minimums. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate.

If you fail to obtain insurance and keep the same in full force and effect, we may obtain this insurance at our discretion and you will pay us the premium costs upon our demand. Failure to obtain and maintain the required insurance constitutes a material breach of the franchise agreement entitling us to terminate the agreement. You must also procure and pay for all other insurance required by state or federal law. We may periodically increase the amounts of coverage required and/or require different or additional coverage. We do not derive revenue as a result of your purchase of insurance.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

	<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
a.	Site selection and acquisition/lease	Article V of the franchise agreement	Item 11
b.	Pre-opening purchases/leases	Sections 8.2, 8.6, 8.9, and 8.10 of the franchise agreement	Item 8
c.	Site development and other pre-opening requirements	Sections 5.2, 5.4, and 5.6 of the franchise agreement	Items 7 and 11
d.	Initial and ongoing training	Sections 9.1 and 9.2 of the franchise agreement	Item 11
e.	Opening	Sections 5.5 and 9.2 of the franchise agreement	Item 11
f.	Fees	Article III of the franchise agreement	Items 5 and 6
g.	Compliance with standards and policies/operating manual	Sections 6.6, 8.2, 8.3, 8.8, and 8.11 of the franchise agreement	Items 8 and 11
h.	Trademarks & proprietary information	Article VI of the franchise agreement	Items 13 and 14
i.	Restrictions on products/services offered	Article X of the franchise agreement	Item 8
j.	Warranty and customer service requirements	Sections 8.3, 8.4, and paragraph 9.2(iii) of the franchise agreement	Item 11
k.	Territorial development and sales quota	Not Applicable	Item 12
l.	Ongoing product/service purchases	Article X of the franchise agreement	Item 8
m.	Maintenance, appearance and remodeling requirements	Section 8.3 of the franchise agreement	Item 11
n.	Insurance	Section 8.7 of the franchise agreement	Item 8
o.	Advertising	Article XI of the franchise agreement	Items 6 and 11
p.	Indemnification	Article XX of the franchise agreement	Item 6

	<u>Obligation</u>	<u>Section in Agreement</u>	<u>Disclosure Document Item</u>
q.	Owner's participation/management/staffing	Sections 8.5 and 8.6 of the franchise agreement	Items 11 and 15
r.	Records and reports	Sections 3.4 and 3.6 of the franchise agreement	Item 6
s.	Inspections and audits	Sections 3.6 and 8.11 of the franchise agreement	Items 6 and 11
t.	Transfer	Article XV of the franchise agreement	Item 17
u.	Renewal	Article IV of the franchise agreement	Item 17
v.	Post-termination obligations	Section 13.1 of the franchise agreement	Item 17
w.	Non-competition covenants	Article XVI of the franchise agreement	Items 14, 15 and 17
x.	Dispute resolution	Article XIX of the franchise agreement	Item 17
y.	Compliance with Government Regulations	Paragraph 8.1(v) of the franchise agreement	Item 12
z.	Guarantee of Franchisee Obligations	Section 8.12 of the franchise agreement	Item 15

ITEM 10 FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, Leon Commerce Co., LLC is not required to provide you with any assistance.

Pre-Opening Obligations

1. Designate your territory and designate the hours and days of operations for your territory (See Franchise Agreement, Sections 1.1, 1.3, and 8.5.)

2. Make available to you general specifications for the items and services indicated in Item 8. (See Franchise Agreement, Article IX.)
3. Provide you with the names of approved and designated suppliers. (See Franchise Agreement, Article IX.)
4. We do not offer assistance in delivery or installation of any of these items.
5. You are required to work directly with the manufacturer or servicer of any required or approved products, equipment, supplies and materials (See Franchise Agreement, Paragraph 8.11.1 and Section 9.1.)
6. We will provide some opening assistance. (See Franchise Agreement, Section 9.1.)
7. We will collaborate with you on planning your grand opening marketing and provide access to our online marketing materials. (See Franchise Agreement, Paragraph 9.2(I))
8. Provide electronic access to our confidential operations manual containing mandatory policies, operating procedures, rules, employee guide, and other information. The operations manual is confidential and will remain our property. You must keep the contents of the manuals confidential. You may not copy any part of the manuals, either physically or electronically. The operations manuals may be developed, modified and supplemented periodically, and the term “manuals” includes all of those documents, as so modified and supplemented. (See Franchise Agreement, Section 6.6.) The table of contents of the operations manual is described on Exhibit “G” to this disclosure document. The operations manual is in electronic format and is approximately 50 pages.
9. Provide an initial training program, described in detail below for you and your managers. (See Franchise Agreement, Paragraph 9.1(v).)
10. We provide you with preliminary design / decoration requirements for your franchise location. Also, we do not provide assistance for the construction or remodeling of your franchise. However, you should commence construction within at least 6 months from the signing of the franchise agreement and should commence business within 12 months of the signing of the franchise agreement. (See Franchise Agreement, Sections 5.1, 5.2, 5.4, and 5.5.)

Site Location

1. We do not assist in locating a site. That is your responsibility. We do not lease properties to you. We must review and approve your proposed site for the operation of the franchise business. If you cannot find an approved site, we may, in our discretion, terminate the franchise agreement or grant you an extension. (See Franchise Agreement, Paragraph 5.1.1.)

2. You may use a local broker in your site selection for a drive-thru or inline location. (See Franchise Agreement, Section 5.1.)
3. Our approval is based upon the following general criteria: access, appearance, traffic, general population, number and type of businesses in the territory, parking, square feet, and general vicinity. We do not prepare demographic studies or otherwise evaluate the potential success of your proposed site, nor do we provide you with a site checklist or other similar information, nor do we warrant or guarantee the success of your location. You will have 3 months from the date of the franchise agreement to select a site and negotiate a lease for your franchise. Site approval should be completed by us and notice provided to you in writing, within 4 weeks or less after you have selected a prospective location. (See Franchise Agreement, Paragraph 5.1.1.)

Estimated Length of Time Before Opening

1. It is estimated that the length of time between the signing of the franchise agreement with the accompanying payment of the initial franchise fee and the opening of your franchise business is 6 to 12 months. (See Franchise Agreement, Section 5.5.)
2. Factors affecting this length of time usually include: obtaining a satisfactory site (with our approval), financing arrangements, construction, inspections, weather conditions, local ordinance compliance and delivery and installation of furniture, fixtures, equipment, signs, and inventory items. You are required to have the landlord consent to an assignment of the lease before the lease agreement is signed (See Franchise Agreement, Exhibit A-8). This may also take some time and delay opening.
3. You must give us at least 15 days written notice before opening your franchise business location. (See Franchise Agreement, Section 5.5.)
4. Failure to meet these deadlines may result in a termination of the franchise agreement without a refund. (See Franchise Agreement, Section 5.5.)

Post Opening Obligations

1. We may hold an annual convention or conferences to discuss improvements, new developments, mutual concerns and business issues. Attendance is mandatory. Currently, there is no convention fee, but you must pay all your travel and living expenses. A fee may be charged for these conferences. These conventions will be held at various locations chosen by us. (See Franchise Agreement, Section 8.10.)
2. Establish policies, procedures, standards, specifications, products and services for the operation of your franchise business. We may change, modify or update these procedures, standards, specifications, products and services at our discretion. All modifications will be posted on an online site or through email. You must strictly follow these procedures, standards and specifications as they develop. Failure to do so is grounds for termination of your franchise. (See Franchise Agreement, Paragraphs 8.11.3, 8.11.4 and 8.11.6.)

3. Provide assistance and supervision through our online site, via telephone, emails, teleconferences, website updates and in person at your franchise business location. We may be available for assistance in improving or developing your franchise business, including administrative bookkeeping, accounting, and inventory control procedures. However, for problems and training for the computer system, other equipment and warranty items, you must work directly with your supplier of these items. For our services you will be charged our standard rate in effect at the time. We currently charge a fee of \$250 per day per representative, payable in advance, or as otherwise agreed for assistance at your location. You must also pay the cost of travel, meals and accommodations for our representatives. Although we welcome input and suggestions, we are not obligated to work with you to develop or improve products offered to clients. Any changes or suggestions will be considered work for hire and shall belong to us and may be used by the system. (See Franchise Agreement, Section 9.2.)
4. At our discretion, provide new manager training or refresher training as set forth below. We do not assist you with the training, hiring, managing, or firing of your employees. You are solely responsible for hiring all your employees, including managers, and are exclusively responsible for supervising such employees, and for the terms and conditions of their employment and compensation. Other than initial management training, we do not assist you with training your employees. (See Franchise Agreement, Sections 8.6 and Paragraphs 9.1(v) and 9.2(iv).)
5. We or a third party may make periodic inspections, at our discretion, of your franchise business for compliance, consultation, assistance, and guidance in all aspects of the operation and management of the franchise business. We may provide a written “Shop Evaluation Report” of any suggested changes or improvements for the operation or management and detail any defaults in operations that become evident as a result of any evaluation and inspection. Additional guidance, at our sole discretion, will be furnished in the form of our manuals, bulletins or other written materials, telephone consultations, email and/or consultations at our offices or at your franchise business in combination with an inspection of such a franchise business. (See Franchise Agreement, Paragraph 8.11.4.)
6. Provide you with updates to the manuals. We have the right to add to and otherwise modify the confidential written manuals to reflect changes in policies, products, services, specifications, standards and operating procedures, including sales and marketing techniques respecting the franchise business. We will keep a master copy of the confidential operations manual, which will be controlling in the event of a dispute relative to the contents of the confidential operations manual. (See Franchise Agreement, Section 6.6.)
7. We may, to the degree permitted by law, suggest retail prices, specify maximum prices above which you will not provide goods or services and you will honor all coupon, price reductions and other programs (See Franchise Agreement, Section 8.8.)

Advertising, Marketing and Promotion

1. We are not obligated to conduct advertising. However, we do maintain and administer a Brand Development Fund for local or national advertising, marketing or public relations program as we, in our sole discretion, may deem necessary or appropriate to market and promote the brand – see below for more details. If implemented, we direct all national or regional marketing and marketing programs, with sole discretion over: 1) the creative concepts, materials, endorsements and media used regarding these programs (which may include television, radio and print marketing as funds permit); 2) the source of the marketing or public relation efforts (which may be in-house or through an outside agency located locally, regionally or nationally); 3) the placement and allocation of these programs (which will be local or regional); and 4) the composition of all geographic territories and market areas for the development and implementation of these programs. However, until such a national marketing program is implemented, we will mainly use the brand development fees to develop marketing assets that you can use in your own local advertising. We are not required to spend any amount on marketing directly in the area or territory where you are located. (See Franchise Agreement, Section 3.3.)
2. We provide you online access to marketing materials developed by us. You may also develop marketing materials for your use, at your cost but all marketing material developed or used by you must have our prior written approval. Any marketing you create automatically becomes our property and will be considered “works-for-hire” that may be made available for use by us or other franchisees without a fee and without compensation to you. If you do not receive written approval or disapproval within 10 days of the date we received your submission, the materials submitted are deemed approved. (See Franchise Agreement, Sections 11.4 and 11.6.)
3. You may not create a website, but you may have approved social networking sites which we have access to and may terminate such sites at any time or engage in marketing on the Internet, without our permission. If you receive permission for your own social networking site from us, all content placed on the site must be pre-approved by us, in writing, and you may be required to use our marketing designer to create the site (see Item 6). You may be allowed to place pre-approved information concerning your franchise business on our website and social networking sites such as Facebook, as developed by us. You are required to provide us all usernames, passwords and account information and any other information related to any of your social media and social networking site accounts immediately upon our request. You must strictly comply with the policies and procedures established by us regarding websites, social networking sites, and Internet marketing. Failure to do so may result in termination of your franchise agreement. (See Franchise Agreement, Paragraph 11.5.)
4. No franchisee advertising council is anticipated at this time.
5. We may also cause the formation of local and/or regional cooperative marketing associations covering those areas as we, in our discretion, deem appropriate, and we may disperse those funds as we believe appropriate from the marketing fund to any

local and/or regional cooperative marketing associations for local and/or regional marketing. The area of any cooperative marketing association will be based on geographic regions determined by us. Your geographic area is defined as a market with multiple franchise businesses in the same television, radio and newspaper market. Upon the formation of a local or regional cooperative marketing association, you will be deemed a member of that association as covers the area in which your franchise business is located and you will be bound by any decisions made by the association upon a majority rule by voting members. You and other franchisees in the cooperative will be responsible for the administration of the association. We will develop governing documents and make these governing documents available to all franchisees within the cooperative area. At this time these governing documents are not available. Voting will be on the basis of one vote per franchise business in good standing that a franchisee has within the association. You will be required to contribute marketing fees to any local or regional cooperative marketing associations as determined by the cooperative members, but any contribution will not exceed the amount of gross sales required to be spent by you locally. All franchisees or company owned franchises, if any, within the marketing cooperative area will be required to join and contribute to the fund on the same basis or rate. The cooperative will be required to prepare annual financial statements and these will be available to all franchisees in the cooperative and us, for review. We have the power to require cooperatives to be formed, changed, dissolved or merged at any time. (See Franchise Agreement, Section 11.1.)

6. Brand Development Fund. You must contribute 2% of your gross revenue to the brand development fund. Company-owned businesses contribute to this fund on the same basis as the franchisees. We do not have any franchise businesses that do not contribute to this fund, but we may have franchisees that contribute at a different rate. Franchisor-owned outlets must contribute to the fund on the same basis as franchisees. We are responsible for administering the brand development fund as we choose. We may use the brand development fund for national and/or regional marketing, brand development, and to offset a portion of direct costs to manage and maintain the fund, including the payment of staff salaries and other expenses for those employees who may be involved in marketing and brand development fund activities. We are not required to spend any amount on marketing directly in the area or territory where you are located. The brand development fund is unaudited. You may receive an unaudited annual report of marketing expenditures within ninety (90) days of the end of each year, if requested by you in writing. Because we are a new franchise, we do not have an accounting of the use of marketing funds in our prior fiscal year. (See Franchise Agreement, Sections 3.3 and 11.2.)
7. Local Marketing. You must spend at least 2% of your gross sales each month for local marketing. In addition, and upon request, you must submit an itemized report to us documenting proof of expenditures for local marketing in a form we may require. We reserve the right to increase the minimum local marketing requirement if we determine, in our sole discretion, that to do so will be in the best interest of the franchise system. (See Franchise Agreement, Sections 3.3 and 11.3.)
8. There are no other advertising funds you will be required to participate in.

9. Any unused marketing or advertising funds in any calendar year will be applied to the following years' fund.

10. The brand development fund are generally not used to solicit new franchise sales.

Computer / Point of Sale (POS) System / Compliance Monitoring System

(See Franchise Agreement, Section 8.9.)

1. We require you to purchase a tablet-based POS system from a designated supplier. The POS system may provide:
 - Reporting of sales
 - Time keeping for employees
 - Gift card tracking
 - Credit card payment
 - App that allows for ordering and track loyalty expenditure through the application
 - Host the menu online and allow ordering via outside the app system
 - Backend analytics and data
 - Card readers tethered and mobile
 - 24/7 technical support
2. The estimated cost for the purchase of the POS system is \$250 monthly for maintenance. Total cost for equipment is \$2,000-2,500.
3. You may also have an office computer that meets our specifications. We estimate this to cost between \$500 - \$1,000.
4. We advise you to install a compliance monitoring system in your franchise unit at reference points designated by us. This compliance monitoring system is not a security system but is a management tool and we are not required to monitor your franchise business. Both you and we will have the right to online access to the compliance monitoring system. By installing the compliance monitoring system, you and your employees are waiving any rights to privacy. You agree to require all your employees to sign a waiver of their right to privacy with respect to the use of this compliance monitoring system. The estimated cost of an installed compliance monitoring system will vary depending on the one you choose.
5. We may require updates and upgrades to your POS system, computer and compliance monitoring system during the term of the franchise agreement. The maintenance, repair, and upgrade of your hardware and software is at your expense. We require updates and upgrades to the computer software as it becomes available. Neither we, our affiliate or a third party is required to provide on-going maintenance repairs, upgrades or updates on software or hardware. There are no contractual limitations to the frequency and cost of the obligation to upgrade the POS or computer system. We have no obligations to provide technical support, maintenance or repair the POS, computer system, and compliance monitoring system.

6. The software upgrades each year are part of the maintenance package for the POS system. You must pay for all maintenance and upgrades to the computer hardware and software.
7. We will have independent access to the information and data collected or generated by the compliance monitoring system, computer, and POS system. There are no contractual limits on our rights to do so. You must keep these systems available for our access 24 hours a day, 7 days a week. You must at all times maintain and frequently check a valid email address, known and available to us, to facilitate our communication with you.

Training

(See Franchise Agreement, Paragraphs 9.1(v) and 9.2 (iv).)

1. You and your manager are required to attend and successfully complete a training program which is held at the location in Woods Cross, Utah, or at a place designated by us. The training program is held at least quarterly. Our trainers will determine successful completion. Failure to successfully complete training is a default of the franchise agreement.
2. Upon successful completion, you and your manager will be trained to manage the Sweeto Burrito™ franchise business. The length of training depends on your prior experience and the type of Sweeto Burrito™ franchise businesses you are operating but should be 5 days for the franchise and will take place at our headquarters and must be completed 4 weeks before you may open your franchise business. We will provide the training without an additional fee to you for up to 2 attendees. The cost of travel, meals, lodging and wages must be borne by you. These costs are estimated in Item 7. If you wish to have additional people attend the training or require or request additional days of training, there is an additional fee for each attendee as listed in Item 6.
3. After the initial training, any new manager must be trained by us within a reasonable time. Our fee for this additional training is listed in Item 6. You must also bear the costs of travel, food, lodging and salaries of your employees during this training. We will train your new manager at your place of business for a fee listed in Item 6. We will also train your other employees as requested by you for the same charges and expenses. At this time, refresher courses are not required.
4. We will provide onsite opening assistance for at least 1 day before your business opening and the day of opening, to train and consult with you in implementing the standardized procedures and techniques essential to the operation of your Sweeto Burrito™ franchise.
5. This training is provided by instructors whose experience is described below and in Item 2 (if the trainer is part of management). The training program consists generally of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction	1		Woods Cross, Utah
Keys to Success	$\frac{3}{4}$		Woods Cross, Utah
Start-Up Procedures	$\frac{1}{2}$		Woods Cross, Utah
Setup	$\frac{3}{4}$		Woods Cross, Utah
Equipment	1		Woods Cross, Utah
Personnel Management	$\frac{1}{2}$		Woods Cross, Utah
Work evening shift in store		2 $\frac{1}{2}$	Woods Cross, Utah
Daily Transactions / Bookkeeping	1		Woods Cross, Utah
Store Cleanliness	1		Woods Cross, Utah
Health Guidelines	$\frac{1}{4}$		Woods Cross, Utah
Machine Training	2 $\frac{1}{2}$		Woods Cross, Utah
Theft Prevention	$\frac{1}{2}$		Woods Cross, Utah
Daily Operations	2 $\frac{1}{4}$		Woods Cross, Utah
Work evening shift in store		2 $\frac{1}{2}$	Woods Cross, Utah
Work opening shift in store		3 $\frac{1}{2}$	Woods Cross, Utah
Review	$\frac{1}{2}$		Woods Cross, Utah
Financial Management	1		Woods Cross, Utah
Payroll Services	$\frac{1}{2}$		Woods Cross, Utah
Press Releases	$\frac{1}{2}$		Woods Cross, Utah
Policies and Procedures	$\frac{1}{2}$		Woods Cross, Utah
Salesmanship	1		Woods Cross, Utah
Marketing	1 $\frac{1}{2}$		Woods Cross, Utah
Work closing shift at store		2 $\frac{1}{2}$	Woods Cross, Utah
Cash Register	3		Woods Cross, Utah

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Customer Service	½		Woods Cross, Utah
Insurance	½		Woods Cross, Utah
Final Review	1 ½		Woods Cross, Utah
	23 Hours	11 Hours	

Trainer History:

1. Paul Cryer. He has been with the Sweeto Burrito™ concept since 2018. He offers training on supply chain/food ordering management and has knowledge of the process and marketing aspects of the business. He had worked in the restaurant supply/food distribution business for 6 years before he joined us.
2. Miguel Hernandez. He has been an executive in a variety of businesses with direct responsibility for all aspects of operations including but not limited to finance, service, legal, personnel, and marketing, and has worked directly with the Sweeto Burrito™ concept since 2020.

Miscellaneous

We may approve exceptions to our changes in the uniform standards for you or any other franchise that we believe are necessary or desirable based on particular circumstances. You have no right to object to this variance yourself. We may deny any or all of the above services to you while you are in breach of the franchise agreement or in default in the discharge of any of your obligations to us. (See Franchise Agreement, Section 8.11.)

Employment Matters

We do not assist you with the hiring, firing, managing or compensation of your employees. That is your responsibility. Other than initial and ongoing management training, we do not assist you with training your employees. We may provide you with an employee guide or manual, but it will only be a sample of certain employment matters unless otherwise indicated by us. It is your responsibility to comply with local and federal employment laws.

Area Developer Agreement

Your rights under the area developer agreement are territorial only and do not give or imply a right to use our trademarks or system. Our only obligation is to provide a territory where you have the option to develop Sweeto Burrito™ franchise businesses as provided in the agreement. After you have identified a potential site for a location, we will approve the location pursuant to your franchise agreement for that franchise location. (See Area Developer Agreement, Section 2.1, and Franchise Agreement, Section 1.1.)

ITEM 12 TERRITORY

Under the franchise agreement, we will grant you the exclusive right to use the system and proprietary marks solely within a specific geographic area, the boundaries of which will be negotiated prior to signing and described in the franchise agreement. Your franchise must be operated only from a single location within the territory as approved by us. The location of your franchise business may not be changed without our prior written consent.

You are granted a protected territory, meaning we will generally not place another Sweeto Burrito™ franchise unit within 2 driving miles of Your Premises, depending on the density of the population and the location of Your Premises.

You will not be assigned an exclusive territory for your franchise business. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.

We and our affiliates, either personally or through agents and representatives, reserve the right to sell Sweeto Burrito™ outlets through non-traditional franchises at our discretion, both within and without your territory, without paying compensation to you. These franchises may include locations at convention centers, sporting arenas, airports, military bases or other similar locations. We and our affiliate also reserve the right, to sell, market and distribute Sweeto Burrito™ products and products under other brands we control both within and outside your territory using other marketing strategies and distribution channels, such as catalogs and other direct sales methods, to or through grocery and convenience stores and wholesale outlets, co-branding with other outlets and the Internet, etc. We do not pay you for soliciting or accepting orders or selling any products or services through other channels inside your territory. Neither we, nor an affiliate operates, franchises or has a plan to operate or franchise a business that sells or will sell goods or services similar to those sold in your franchise, but we reserve the right to do so in the future.

You are also allowed to sell products or services through the following channels: approved website/app.

Neither we, nor an affiliate operates, franchises or has plans to operate or franchise a business that sells or will sell goods or services similar to those sold in your franchise using a different trademark, but we reserve the right to do so in the future.

Other franchisees may market within your territory and you may market within other territories. You may not service customers within another franchisee's territory. You do not receive the right or option to acquire additional franchises.

Area Development

You may purchase an area developer package. If so, you will be assigned a limited non-exclusive territory in which to develop your franchise businesses. The size of this territory is to be negotiated based on the number of units, the population density, whether the units will be located in a rural or metropolitan area and other factors. The written boundaries will be included in your area developer agreement. The schedule of units to be developed in your territory is negotiated between you and us. To maintain your territorial rights, you must develop the franchise business in accordance with the development schedule.

ITEM 13 TRADEMARKS

We grant you the non-exclusive right to use certain of our trademarks in the operation of your franchise business. You may also use other current or future trademarks in the operation of your franchise business, as we designate. You will not at any time acquire any rights in the trademarks. By trademarks we mean our trade names, trademarks, commercial symbols, service marks and logos.

Under a license agreement entered into between Sweeto Burrito Management, LLC and us in 2021, we were granted the right to use and sublicense the trademarks for 10 years. However, the license may be terminated for our default. The terms and provisions of the license agreement cannot be modified without written authorization from both parties.

The following trademarks, service marks, trade names, logotypes or other commercial symbols listed below are registered or have been filed for registration with the United States Patent and Trademark Office on the Principal Register. All required affidavits and renewals have been filed.

Registration/ Serial Number	Word or Design Mark	Registry	Registration/ Filing Date	Status
4227584		Principal	October 16, 2012	Registered.

The following trademark has not been registered with the United States Patent and Trademark Office. Therefore, this trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

SWEETO BURRITO™

You must use all trademarks in strict compliance with our manuals and the Sweeto Burrito™ system. You must modify or discontinue the use of a trademark at your cost, if we modify or discontinue it. You are prohibited from using any trademark as part of your corporate name, but you must use the name Sweeto Burrito™ as part of an assumed name or dba registered with the applicable governmental authority. This use is non-exclusive. You cannot make application for registration or other protection of Sweeto Burrito™ names, derivatives or any other trademark used by us.

You may only use the trademarks with the letters “TM” or “SM” or “®” as appropriate. You are prohibited from using any trademark in the sale of any unauthorized product or service or in any manner not expressly authorized in writing by us. You are required to adhere fully and strictly to all security procedures required by us for maintaining the secrecy of proprietary information.

There are presently no effective determinations by the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court or pending interference, opposition or cancellation proceeding, or pending material litigation involving the trademarks. There are no agreements currently in effect which significantly limit our rights to use or license the use of the trademarks.

There are presently no superior rights in or infringing uses of the trademarks that could materially affect your use of the trademarks in your territory.

You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademarks. We will have the discretion to take the action we deem appropriate. We are not obligated to protect any rights which you have to use the trademarks, or to protect you against claims of infringement or unfair competition. You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition; however, we have the right to control any administrative proceedings or litigation involving the trademarks, and you will proceed in strict coordination and oversight by us. You may not act contrary to our rights in the marks. We are not required to defend or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the licensed trademarks.

You may not contest, directly or indirectly, our right and interest in our trademarks, names or marks, trade secrets, methods, and procedures which are part of our business and agree to execute documents and assurances necessary to effectuate these provisions. Any goodwill associated with the trademarks or system belongs exclusively to us.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent and we do not have any pending patent applications with the United States Patent and Trademark Office. We do not own rights to, or licenses in, any patent that is material to the franchise system.

We have not registered the manuals with the United States Copyright Office, but we claim a copyright and consider the information proprietary, and we or our parent and affiliate claim protected trade secrets and copyrights in our franchise system, and the recipes and mixes used in the system.

You can use the proprietary information in our operations manual but only in connection with the system. The manual may not be copied. The operations manual must be returned to us upon termination of your franchise. As mentioned above, portions of the “system” are a trade secret or confidential and proprietary to us. You must also promptly tell us when you learn about unauthorized use of this manual and any other proprietary information. We are not obligated to take any action but will respond to this information, as we believe appropriate. If applicable, we have the right to control any administrative proceedings or litigation. We are not required to defend or indemnify you for any damages from a proceeding based on copyright. You must modify or discontinue the use of any copyright, at your cost, if we modify it, in our reasonable discretion.

With regards to our proprietary information and or system the franchise agreement also provides that you will: (a) strictly follow all confidential security procedures required by us, (b) disclose this information to your employees only as needed to market our products and services; (c) not use this information in any other business; (d) exercise the highest degree of diligence to maintain this information as confidential; and (e) promptly notify us if you learn of any unauthorized use of our trade name, trademarks, trade secrets or proprietary information. Your use of our proprietary information is limited to the uses required or allowed by us.

We claim other copyrights in sales literature and marketing materials, which we, or our franchisees develop, and your use of these materials will be limited to the uses required or allowed by us.

There are presently no superior rights in or infringing uses of the copyrights or patents that could materially affect your use of the copyrights or patents in your territory.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You are not required to personally participate in the direct on-premise management of the franchise, but we recommend on-site participation. We do require on-premises supervision by you or your designated manager, who has completed training with us, to manage the franchise business.

Neither you nor your designated manager are required to work a certain or minimum number of hours but, you or your manager must put forth your best efforts and work sufficient hours to operate your franchise business at maximum capacity and efficiency. You must have at least 1 manager on-site during regular business hours. Although we do not require you to be involved in the day-to-day on-premise management, you are required to participate in your franchise business as follows: (i) You must be directly responsible for all accounting, reporting, and bookkeeping; (ii) you must attend and complete all training and retraining courses required by us; (iii) you must attend any annual or special meetings of franchisees called by us; (iv) you must be directly involved with site selection, construction, remodeling and all financial components of

the franchise business; and (v) you and your trained and designated manager must be directly involved in all personnel decisions affecting the franchise business. The possible success of Your Franchise Business is largely a function of the time, skill and energy You devote to it. Absentee management may significantly increase the risks associated with Your Franchise Business.

You and at least one manager, if separate from you, must attend the initial training program. We do not put a limitation on whom you can hire as your manager, but your manager and any subsequent manager must complete and pass our training program before they can manage a franchise business. To pass training, the manager must demonstrate competence in several areas of running a franchise store. These areas include, but are not limited to, knowledge of basic policies and procedures, minor equipment assembly, customer service, equipment maintenance and sanitization, daily operations, record keeping, basic accounting techniques and ability to train employees.

You must understand clearly that the risks, financial and otherwise, which are inherent with the beginning of any new business, are yours alone. We, as a matter of policy, will not assist you in any decision-making process which may affect your business operations. The success or failure of your franchise as a business enterprise is for the most part dependent on your efforts. Purchase of this franchise should not be considered by anyone who is unfamiliar with standard business practices or is unwilling to accept the responsibilities associated with running a small business.

Neither you nor your management employees can have an interest in or business relationship with any competing business that offers products or services that are essentially the same as or substantially similar to Sweeto BurritoTM including, but not limited to, a business that offer burritos, wraps, salads, bowls, and similar food services and products. Your on-premises designated manager does not need to have an ownership interest in your franchise business. You, your partners, directors, members, shareholders and your manager and other principal employees will be required to sign standard confidentiality agreements to protect and keep confidential our trade secrets and confidential information described in Item 14 and to conform with the covenants not to compete described in Item 17. Your employees may also be required to sign confidentiality agreements. You, your partners, directors, members, shareholders and your manager and other principal employees, however, will be required to sign a standard confidentiality to protect and keep confidential our trade secrets and confidential information described in Item 14 and to conform with the covenants not to compete described in Item 17 and our confidentiality agreement (see Exhibits A-3 and A-5). Your employees will also be required to sign covenants not to compete and confidentiality agreements (see Exhibits A-4 and A-6).

You must operate the franchise business at least 6 days per week throughout the year (unless waived in writing by us), but we reserve the right to require you to operate 7 days a week depending on your market or location and changes to the system. You must maintain sufficient supplies and materials and employ adequate personnel to operate the franchise business at maximum capacity and efficiency. You must keep free from conflicting enterprises or any other activities which would be detrimental to or interfere with your franchise business or the franchise system. You must conduct frequent inspections of the facilities to insure the highest standards of cleanliness and general pleasant appearance, as well as frequent inspections of the operations to ensure compliance with our approved methods.

Failure to provide the required on-premises supervision is considered a default under the franchise agreement and may result in terminating your franchise. In addition, if we or our independent service provider find that you are not in compliance, we have the option, at our discretion, to manage the store until you have found a suitable replacement to act as your manager. For this you will be charged our then-current fee, (currently \$300 per person per day), plus travel and living expenses for our representatives and you will remain responsible for all royalties, marketing fees, and all other fees required under the franchise agreement.

Any individual who owns a 5% or greater interest in the franchise business must personally guarantee the performance of all your obligations under the franchise agreement and agree to be personally bound by, and liable for, the breach of every provision of the franchise agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must provide and sell only those products and services specified and approved by us in writing. No product or service may be added to, altered, or discontinued by your franchise business unless it is first approved by us in writing. You must offer all products and services required by us. We reserve the right to add, modify, or delete products and/or services that you will be required to offer. There are no limits on our right to do so. You must strictly follow our policies, procedures, specifications, methods and techniques concerning all of our products and services.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP¹

This table lists certain important provisions of the franchise agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Franchise Agreement

	<u>Provision</u>	<u>Section in Franchise or other Agreement</u>	<u>Summary</u>
a.	Length of the franchise term	Section 4.1	Term – 5 years. Not affected by any other agreements.
b.	Renewal or extension of the term	Section 4.2	If you are in good standing at the end of the initial or applicable renewal term, you can enter into a new renewal franchise agreement for additional term of 5 years.

	<u>Provision</u>	<u>Section in Franchise or other Agreement</u>	<u>Summary</u>
c.	Requirements for franchisee to renew or extend ¹	Section 4.2	Not be in default, pay a renewal franchise fee of \$2,500, modernize and update your franchise mobile kiosk, as required by us in our operations manual, and sign the then current franchise agreement which may have materially different terms from the previous agreement, and sign a release.
d.	Termination by franchisee	Section 12.1	If franchisor materially fails to comply with the franchise agreement, and such failure is not cured within 60 days, franchisee may terminate the franchise agreement.
e.	Termination by franchisor without cause	Section 12.2	We must have cause to terminate the agreement (see below).
f.	Termination by franchisor with cause ¹	Sections 12.2	We can terminate the franchise agreement if you are in default of any agreement with us. There are certain specified breaches for which we can terminate without giving you an opportunity to cure (see (h) below). Termination of a franchise agreement may also terminate the area developer agreement.
g.	“Cause” defined – curable defaults	Paragraph 12.2.1	You have 24 hours to cure health code violations, 15 days to cure monetary and reporting defaults, and 30 days to cure certain other material defaults of the franchise agreement.
h.	“Cause” defined - non-curable defaults	Paragraph 12.2.2	Non-curable defaults: conviction of felony, fraud, repeated defaults even if cured, harm the public, abandonment, trademark misuse, and other defaults listed in the franchise agreement.

	<u>Provision</u>	<u>Section in Franchise or other Agreement</u>	<u>Summary</u>
i.	Franchisee's obligations on termination/ non-renewal	Section 13.1	Obligations include complete de-identification, payment of amounts due and compliance with the non-competition agreement (see also (r) below).
j.	Assignment of contract by franchisor	Section 15.1	There are no restrictions on our right to assign, including merging with, acquisition by, or sale to a competing company.
k.	"Transfer" by franchisee – defined	Section 15.2	Includes assignment and transfer of contracts, security interests and ownership change.
l.	Franchisor approval of transfer by franchisee	Section 15.3	We must approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Section 15.6	You are not in default, all fees are current, new franchisee qualifies, transfer and training fee paid, purchase agreement approved, training arranged, new transferee signs the then-current franchise agreement, and a release is signed by you (see state specific addenda).
n.	Franchisor's right of first refusal to acquire franchisee's business	Sections 15.8	We can match any offer for purchase of your franchise business within 30 days of written notice to us of offer.
o.	Franchisor's option to purchase franchisee's business	Article XIV	Upon termination, we can buy your assets at fair market value.

	<u>Provision</u>	<u>Section in Franchise or other Agreement</u>	<u>Summary</u>
p.	Death or disability of franchisee	Section 15.10	We may operate your franchise business until a personal representative is approved and a new manager trained, or the franchise must be assigned to approved buyer within a reasonable time. Upon death or incapacity, we have the right but not the obligation to operate your franchise business for a fee until a trained manager is in place. You will be charged a per day/per representative fee (currently \$300 per person per day), plus our costs, for us to manage your franchise business during this time.
q.	Non-competition covenants during the term of the franchise	Section 16.1	No involvement in competing business anywhere without our written consent.
r.	Non-competition covenants after the franchise is terminated or expires	Sections 16.1 – 16.6	No competing business for 2 years within 30 miles of your franchise location or within 30 miles of any other Sweeto Burrito™ franchise or company or affiliate owned Sweeto Burrito™ business (including after assignment). If you compete within the time period then this non-compete time period will be extended for the period of your competition plus 6 months.
s.	Modification of the agreement	Section 21.11	No modifications generally, unless made in writing and signed by both parties, but policies and procedures are subject to change by us.

	<u>Provision</u>	<u>Section in Franchise or other Agreement</u>	<u>Summary</u>
t.	Integration/merger clause	Section 21.1	Only the terms of the franchise agreement are binding (subject to state law). All representations and promises outside the disclosure document and franchise agreement may not be enforceable. Our integration/merger clause does not disclaim the representations in this disclosure document.
u.	Dispute resolution by mediation or litigation	Article XIX	Except for certain claims, for disputes there must be a face-to-face meeting, mediation, and litigation (see state specific addenda).
v.	Choice of forum	Sections 18.2 and 19.2	Litigation and mediation must be in Utah (see state specific addenda).
w.	Choice of law	Section 18.1 and 18.3	Utah law and the United States Trademark Act apply (may be subject to additional state law requirements).

¹ Both the chart for the franchise agreement and the chart for the area developer agreement apply to your relationship with us. You should review both charts. States may have statutes or court decisions, which supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise (see State Specific Addenda).

THE FRANCHISE RELATIONSHIP¹

This table lists certain important provisions of the area developer agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Area Developer Agreement

	<u>Provision</u>	<u>Section in Area Developer Agreement</u>	<u>Summary</u>
a.	Length of the development term	Section 3. 4 & Exhibit B	The term is the negotiated development period from 1 to 2 years depending on the number of units purchased.
b.	Renewal or extension of the term	Not Applicable	
c.	Requirements for developer to renew or extend	Not Applicable	

	<u>Provision</u>	<u>Section in Area Developer Agreement</u>	<u>Summary</u>
d.	Termination by developer	Not Applicable	
e.	Termination by franchisor without cause	Not Applicable	
f.	Termination by franchisor with cause	Section 9.1	We can terminate only if you are in default of your agreement.
g.	“Cause” defined – curable defaults	Sections 9.1.1 and 9.1.3	You have 45 days to cure a development schedule default and 30 days to cure certain other material defaults of the area developer agreement.
h.	“Cause” defined – non-curable defaults	Section 9.1.2	Non-curable defaults: conviction of felony, fraud, failure to pay, insolvency, repeated default if cured and abandonment.
i.	Developer’s obligations on termination/non-renewal	Section 10	We may sell in your territory and you may continue as a franchisee pursuant to your signed franchise agreements, but termination of a franchise agreement may terminate the area developer agreement.
j.	Assignment of contract by franchisor	Section 12.1	There are no restrictions on our right to assign including merger with, acquisition by, or sale to a competing company.
k.	“Transfer” by developer - defined	Section 12.2	Includes assignment and transfer of contracts, security interests and ownership change.
l.	Franchisor approval of transfer by developer	Section 12.2	We have the right to approve all transfers, but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Section 12.2	You are not in default, transferee is trained and signs the then current area developer agreement, and a release signed by you.
n.	Franchisor’s right of first refusal to acquire developer’s business	Section 12.3	We can match any offer for your franchise business within 30 days of written notice to us of offer.

	<u>Provision</u>	<u>Section in Area Developer Agreement</u>	<u>Summary</u>
o.	Franchisor's option to purchase developer's business	Not Applicable	
p.	Death or disability of developer	Not Applicable	
q.	Non-competition covenants during the term of the area development agreement	Section 11.1	No involvement in a competing business.
r.	Non-competition covenants after the developer is terminated, transferred or expires	Section 11.2	No competing business for 2 years within 30 miles of your territory or of another Sweeto Burrito™ franchise or company or affiliate owned business (including after assignment). If you compete within the time period then this non-compete time period will be extended for the period of your competition, plus 6 months.
s.	Modification of the agreement	Section 16.7	Modifications must be made in writing and signed by both parties; policies and procedures are subject to change by us.
t.	Integration / merger clause	Section 16.8	Only the terms of the area developer agreement are binding (subject to state law). All representations and promises outside the disclosure document and franchise agreement may not be enforceable. Our integration/merger clause does not disclaim the representations in this disclosure document.
u.	Dispute resolution by mediation or litigation	Section 15. 2	Except for certain claims, all disputes must be mediated and litigated in Salt Lake City, Utah (subject to state law – see state specific addenda).
v.	Choice of forum	Section 16.2	Litigation must be in Salt Lake City, Utah (subject to state law – see state specific addenda).

	<u>Provision</u>	<u>Section in Area Developer Agreement</u>	<u>Summary</u>
w.	Choice of Law	Section and 16.2	Utah law and the United States Trademark Act apply (subject to state law – see state specific addenda).

¹ Both the chart for the franchise agreement and the chart for the area developer agreement apply to your relationship with us. You should review both charts. States may have statutes or court decisions, which supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise (see State Specific Addenda).

ITEM 18 PUBLIC FIGURES

We do not use any public figure to promote our franchise.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

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 Miguel Hernandez at 930 Chambers Street, Suite 7, Ogden, Utah 84403, (801) 668-2594 , 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 2018 to 2020

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Company Owned**	2018	0	0	0
	2019	0	0	0
	2020	0	0	0
Total Outlets	2018	0	0	0
	2019	0	0	0
	2020	0	0	0

*As of December 31, 2020, Sweeto Burrito Management, LLC, had 10 franchised Sweeto Burrito™ outlets.

**As of December 31, 2020, Sweeto Burrito Management, LLC, had 2 company-owned Sweeto Burrito™ outlets.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2018 to 2020

State	Year	Number of Transfers
Idaho	2018	0
	2019	0
	2020	0
Utah	2018	0
	2019	0
	2020	0
Virginia	2018	0
	2019	0
	2020	0
Washington	2018	0
	2019	0
	2020	0
Total	2018	0
	2019	0
	2020	0

Table No. 3
Status of Franchised Outlets
For Years 2018 to 2020

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
Idaho ¹	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Utah ²	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Virginia ³	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Washington ⁴	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
Totals ⁵	2018	0	0	0	0	0	0	0
	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0

1. As of December 31, 2020, Sweeto Burrito Management, LLC, had 4 franchised Sweeto Burrito™ outlets in Idaho.
2. As of December 31, 2020, Sweeto Burrito Management, LLC, had 1 franchised Sweeto Burrito™ outlet in Utah.
3. As of December 31, 2020, Sweeto Burrito Management, LLC, had 3 franchised Sweeto Burrito™ outlets in Virginia.
4. As of December 31, 2020, Sweeto Burrito Management, LLC, had 2 franchised Sweeto Burrito™ outlets in Washington.
5. As of December 31, 2020, Sweeto Burrito Management, LLC, had a total of 10 franchised Sweeto Burrito™ outlets.

Sweeto Burrito Management, LLC, has two food trucks with part-time operations in Florida and North Dakota. These are licensees that use the Sweeto Burrito™ name, but do not operate in the same manner as our franchisees. They are not included in this list of franchisees.

Table No. 4
Status of Company-Owned Outlets
For Years 2018 to 2020

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Utah*	2018	0	0	0	0	0	0
	2019	0	0	0	0	0	0
	2020	0	0	0	0	0	0

*As of December 31, 2020, Sweeto Burrito Management, LLC, had 2 company-owned Sweeto Burrito™ outlets in Utah.

Table No. 5
Projected Openings as of December 31, 2020

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
California	0	1	0
Utah	0	0	1
Total	0	1	1

This is a new franchise offer and no franchises were sold, transferred, terminated, not renewed, reacquired or left the system at time of preparation of this disclosure document. (See attached Exhibit “D”).

Exhibit “D” contains a list of our current franchisees and affiliate owned units.

No franchisees have signed confidentiality clauses during the last three fiscal years which would limit their ability to speak openly with you about their experience with us. We do not know of any trademark specific franchisee organizations associated with our system that are required to be disclosed in this item.

ITEM 21 FINANCIAL STATEMENTS

We are a start-up franchise. Our audited financial statements dated March 30, 2021 are attached as Exhibit “C.” Our fiscal year ends on December 31st of each year. The franchisor has not been in business for 3 years or more and cannot include all the financial statements required by the Rule for its last 3 fiscal years.

ITEM 22 CONTRACTS

We have attached the following contracts: as Exhibit “A,” the Franchise Agreement; as Exhibit “B,” the Statement of Prospective Franchisee; as Exhibit “H,” the Area Developer Agreement; and as Exhibit “I,” the Release Agreement. All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached.

ITEM 23 RECEIPT

The last two pages of this disclosure document contain a receipt, in duplicate. The receipt is a detachable acknowledgement that you have received this franchise disclosure document. Both receipts should be signed and one copy should be returned to us. Please sign and date the receipts and return one copy to us and keep the other for your records. You may return the signed and dated receipt either by mailing it to us at 930 Chambers Street, STE 7, Ogden, UT 84403, or by emailing a copy to us at miguel@sweetoburrito.com.

Schedule 1
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA

1. 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.
2. The California Franchise Relations Act, Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with California law, California law controls.
3. 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.)
4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be fully enforceable under California law.
5. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
6. The franchise agreement requires mediation and/or litigation. The mediation and/or litigation will occur at Salt Lake City, Utah with the costs being borne by you for travel to, and lodging in, Salt Lake City, and other costs associated with mediation and/or litigation. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and Federal laws to any provisions of a franchise agreement restricting venue to a forum outside the State of California.
7. The franchise agreement requires application of the laws of Utah, but the California franchise laws may apply. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California laws.
8. You must sign a general release if you transfer, renew or terminate your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
9. Neither franchisor nor any person listed in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling this or these person from membership in such association or exchange.
10. Section 31125 of the California Corporations Code requires the Franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, before a solicitation of a proposed modification of an existing franchise.
11. OUR WEBSITE www.SweettoBurrito.com HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.
12. The Franchise Agreement provides for waiver of a jury trial. This may not be enforceable in California.

Schedule 2
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Schedule 3
ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Grout Doctor Global Franchise Corp. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosures.

The following statements are added to Item 17.h:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement and area developer agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement and area developer agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

**EXHIBIT “A”
TO THE FDD
FRANCHISE AGREEMENT**



FRANCHISE AGREEMENT

By and Between

LEON COMMERCE CO., LLC (Franchisor)

and

_____ **(Franchisee)**

Date of Agreement: _____

**LEON COMMERCE CO., LLC
FRANCHISE AGREEMENT
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EXHIBITS

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DEFINITIONS

1.1 “Confidential Information” means any proprietary or confidential information (Including information that is developed in the future or acquired) possessed by Franchisor or its affiliates, licensors, or suppliers relating to the development and operation of a Sweeto Burrito™ franchise and Includes the following in any form or medium:

- a. any standards, documents, or trade secrets approved for use in the System or in design, construction, renovation, or operation of the franchise;
- b. training materials, programs and systems for franchisees and personnel of Sweeto Burrito™ operations Including the Manual;
- c. the System and such other methods, techniques, formats, specifications, standards, systems, procedures, product formulas, profit margins, marketing or promotional strategies, pricing information, distributor lists, discount structures, new product lines, commission schedules, sales and marketing techniques, and knowledge of and experience in the development and operation of Sweeto Burrito™ operations as We will develop or disclose to You from time to time;
- d. market research and all promotional, marketing and advertising programs for Sweeto Burrito™ operations;
- e. knowledge of specifications for, and suppliers of, certain products, materials, supplies, equipment, fixtures, furnishings, and services;
- f. any computer software programs (Including data generated thereby) that are proprietary to Us or Our affiliates or licensors;
- g. all data and records related to customers of the Franchised Business, Including customer lists, correspondence between Us and existing or potential customers, distributors, suppliers, or any documents of any descriptions prepared by Us for use by You, and other similar services offered by Us;
- h. all information regarding Products;
- i. knowledge of operating results and financial performance of Sweeto Burrito™ operations other than the Franchise Business; and
- j. any other confidential information, knowledge, trade secrets, business information, know-how obtained by Franchisor, and any other information proprietary to Franchisor which is not in the public domain.

1.2 “Franchisor” Includes an individual, corporation, partnership, limited liability company, or other legal entity.

1.3 “Franchisee” Includes any individual, corporation, partnership, limited liability company, individual, combination of individuals, or other legal entity that owns a majority interest of Franchisee, or in which Franchisee owns a majority interest and Includes all persons who succeed to Franchisee’s interest by transfer or by operation of law.

1.4 “Including” or “Includes” means “including but not limited to,” “including, without limitation,” and similar all-inclusive and non-exhaustive meanings.

1.5 “Intellectual Property” Includes the following, regardless of form or medium: Marks, trademarks, service marks, trade names, copyrights, trade dress, trade secrets, inventions, design, software, operations, the System and all parts of the System, the Manual, Confidential Information, and any other intangible proprietary information and the like.

1.6 “Manual” shall refer to Our guides, manuals, policies, and procedure documents, bulletins, or other written materials developed by Us and distributed to You. We may require You to access these documents electronically.

1.7 “Marks” means any names, slogans, service marks, logos, symbols, words, designs, insignia, emblems, devices, and registered or common law trademarks owned by Us or Our parent, now or later developed, and licensed to You to be used only in connection with Your Franchise Business.

1.8 “Social Media” shall include all websites, internet pages, social media sites, apps, online interactions, online marketing, or any other form of online communications.

1.9 “System” means the standards, Products, advertising, sales and promotional techniques, Intellectual Property, Confidential Information, other proprietary rights, design, layout, formulas, procedures, guidelines, processes, personal training, trade dress, color schemes, specifications, methods of inventory, operational control, accounting, bookkeeping, Manual, and other distinct elements or characteristics which Franchisor, or its affiliates, have developed, designed, or adopted for the operation of its franchises and will continuously be developed by Franchisor, or its affiliates, to enhance the reputation and goodwill of Franchisor.

1.10 “Transfers” shall mean all sales, pledges, assignments, conveyances, encumbrances, bequests, trades, exchanges, leases, co-ownership with a spouse, gifts, and any other transfers, whether voluntary or involuntary, and whether or not for consideration.

1.11 “We,” “Our(s),” or “Us” Includes Franchisor and its predecessors, parents, affiliates, subsidiaries, officers, directors, shareholders, members, managers, employees, agents, and a person or entity directly or indirectly controlling, controlled by or under direct or indirect common control by Franchisor.

1.12 “You” or “Your(s)” Includes Franchisee, all signers of this Agreement, Including all guarantors and Includes all current and subsequent members, owners, partners, shareholders,

managers, directors, officers, owners, agents, affiliates, principal employees, and a person or entity directly or indirectly controlling, controlled by or under direct or indirect common control by You.

LEON COMMERCE CO., LLC FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is entered into and made effective as of this ____ day of _____, 20____ ("Effective Date") by and between **LEON COMMERCE CO., LLC**, a Utah limited liability company ("LCC" or "Franchisor" or "We/Us/Our"), and _____, **INC./LLC** a _____ limited liability company/corporation ("Franchisee" or "You" or "Your").

RECITALS

- A. As a result of the expenditure of time, skill, effort, and money, Franchisor has developed and owns a certain unique, comprehensive, and distinct System and method for the establishment, development, and operation of a fast casual restaurant, known as Sweeto Burrito™, offering to the public specialty burritos, wraps, salads, bowls, and related food items and services (the "Sweeto Burrito™ Business" or the "Franchise Business").
- B. The System Includes standards relating to the franchise operations, procedure, guidelines, Products, advertising, sales and promotional techniques, Intellectual Property, Confidential Information, and other proprietary rights, processes, personnel training, trade dress, design, color schemes, layout, formulas, specifications, methods of inventory, operation, control, accounting, bookkeeping, Manual covering practices and policies, and other matters relating to the operation and promotion of a Sweeto Burrito™ franchise that have been developed by Franchisor, and its affiliates, is comprehensive and will continuously be developed, (collectively known as the "System"), all of which are designed to enhance the reputation and goodwill of Sweeto Burrito™ operations. Franchisee acknowledges and agrees that Franchisor is the exclusive holder of all rights under the System.
- C. Franchisor owns or has the right to license certain Intellectual Property Including trademarks, trade names, service marks, and other source indicators, Including Sweeto Burrito™ and Sweeto Burrito Flavor Worth Fighting For® logo and other Marks that Franchisor may introduce from time to time (collectively known as the "Marks"), which are used in connection with Sweeto Burrito™ operation and Sweeto Burrito™ Products. Franchisee hereby acknowledges the distinctiveness and value of the Marks. For purposes of this Agreement, "Products" Includes the mixes, dry goods, napkins and utensils, proprietary recipes and menu items and other Proprietary Products or items that are developed, made or produced according to formulas, recipes and/or trade secrets owned by or licensed to Us, all products and goods that bear the Marks, and other goods, products, and services designated or approved by Us from time to time for use, sale or otherwise to be provided at the Franchise Business. "Proprietary Products" means Franchisor's proprietary recipes and menu items and other products or items that are developed, made or produced according to formulas, recipes and/or trade secrets owed or licensed to Franchisor, and all products and goods that bear the Marks.
- D. Franchisor grants to persons, who meet Franchisor's qualifications and who are willing to

undertake the investment and effort, a license to operate a single Sweeto Burrito™ Business using the Marks and offering for sale the Products under the terms and conditions of this Agreement, which include standards relating to franchise operations, products, advertising, sales and promotional techniques, personnel training and other matters relating to the operation and promotion of Sweeto Burrito™ operations and System, and all products and goodwill of Sweeto Burrito™ operations.

- E. Franchisee wishes to obtain the right to use the System for the operation of a Sweeto Burrito™ Business and to operate such business under and in compliance with the operating procedures developed by Franchisor and to avail itself to the benefits of the System, subject to the terms and provisions of this Agreement as set forth below. Franchisee recognizes the benefits derived from utilizing the System and being identified under the Sweeto Burrito™ name as it encompasses brand recognition which signifies quality products and services to customers. Franchisee agrees to provide excellent customer service to maintain Franchisor's goodwill and superior brand.
- F. Franchisor may from time to time, add to, amend, or delete any portion of the System (Including any of the Marks) as may be necessary in Franchisor's sole discretion. Franchisee acknowledges and agrees to abide by the System and any changes thereto.
- G. Franchisee agrees and declares: (i) it has conducted an independent investigation and is familiar with the essential aspects and purposes of the Sweeto Burrito™ business and System; (ii) it recognizes the potential benefits to be derived from being able to utilize the System and the Marks but also understands that an investment in a franchise involves business risk and the success of the venture is largely dependent upon the business abilities and efforts of the Franchisee; (iii) it understands the System is intended and designed to protect Franchisor's standards, procedures, policies, and Marks, and not to control the day-to-day operation of the Franchise Business which will at all times be under Franchisee's control and Franchisee will be responsible for the day-to-day operation of its Franchise Business; (iv) it has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by counsel of Franchisee's own choosing; (v) based upon such investigation and review of the System and this Agreement, Franchisee desires a franchise to own and operate under the Sweeto Burrito™ name pursuant to this Agreement at the Territory specified hereafter; and (vi) it has had a copy of LEON COMMERCE CO., LLC's Franchise Disclosure Documents for at least 14 calendar days, or 10 business days, whichever is applicable in Franchisee's state, prior to signing this Agreement and prior to making any payments to Franchisor.
- H. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received or relied upon, any warranty or guarantee, expressed or implied, as to the revenues, profits or success of the franchise business contemplated by this Agreement. Franchisee acknowledges that it has not received or relied upon any representations about the franchise by the Franchisor, its officers, directors, employees or agents that are contrary to the statements made in the Franchise Agreement or to the terms herein and further

represents to the Franchisor, as an inducement to its entry into this Agreement, that Franchisee has made no misrepresentations to obtain the grant of the franchise.

- I. Franchisee hereby acknowledges that it has read this Agreement and that it accepts the terms, conditions, and covenants contained herein as being reasonably necessary to maintain the Franchisor's high standards of quality and service and the uniformity of those standards of operations that are associated with the Sweeto BurritoTM name in order to protect and preserve the goodwill associated thereof. Franchisee understands that it is necessary to prescribe conditions to govern the operation of the franchise so that the public will come to rely on a high measure of excellence from each franchise operating under the Sweeto BurritoTM name and that Franchisee's adherence to such standards and requirements will enhance the business prospects and profitability for all franchisees.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I: GRANT OF RIGHTS AND RESTRICTIONS ON RIGHTS

1.1 Grant of Rights. Subject to all of the terms and conditions of this Agreement, Franchisor hereby grants to Franchisee, who accepts the privilege of, the non-exclusive, non-transferable, non-sublicensable personal right to establish and conduct a single Sweeto BurritoTM franchise solely in Your Territory, as set forth in Exhibit "A-1", unless other locations are approved in writing by Us, ("Premises") and to use the Marks and System to operate such business in strict compliance with the terms and conditions of this Franchise Agreement and the Manual. We make no representations or warranties as to the potential or success of any franchise location.

If the Franchise Business includes a mobile restaurant from a food truck or trailer, it shall be deemed a "Mobile Unit Franchise". If Franchisee operates a Mobile Unit Franchise or operates a non-traditional venue, such as a college, airport, hospital, convenience store, grocery store, cinema, casino, museum, amusement park, stadium, arena or other similar limited-access venues, Franchisee will receive absolutely no protected territory.

For standard storefront franchises, We will not place or authorize anyone else to place a Sweeto BurritoTM store within one (1) driving mile from the Your franchise. This distance is reduced to ¼ mile for locations that, in Our sole determination, are high population density, high business density, urban, or downtown locations.

1.2 Restrictions on Grant of Rights. The rights and privileges granted to You under this Agreement are personal rights. The rights granted under this Agreement are solely for the purpose of a franchise in Your Territory and will not extend to the operation of a franchise or any other use of the System from any other location within or outside Your Territory or in any other manner, except as may be allowed by this Agreement. You acknowledge that We own the sole rights in

and to the System and that Your right to use the System is granted by Us solely pursuant to the terms of this Agreement. You acknowledge and agree that the franchise granted herein relates solely to the Franchise Business and that Franchisee shall not, without the express written authorization of Franchisor, do any of the following:

- i. conduct the Franchise Business away from the Your Territory;
- ii. conduct any activities through the Franchise Business other than as expressly permitted hereunder;
- iii. sell or distribute Products through any means other than through the Franchise Business, Including through Social Media site or the internet; and
- iv. engage in direct or indirect sales or distribution of Products to a third party for resale, retail or further distribution through any channel of trade.

1.3 Reserved Rights. We retain all rights not specifically granted to You in the Franchise Agreement. We reserve all rights to operate and to authorize others to operate Sweeto Burrito™ franchises outside Your Territory. YOU AGREE THAT YOU HAVE NO EXPECTATION OF ANY RESERVED LOCATION OR PROTECTED AREA TO OPERATE YOUR FRANCHISE BEYOND YOUR DEFINED TERRITORY. Furthermore, We and Our affiliates expressly reserve the right to sell, market, and distribute all Sweeto Burrito™ products in Your Territory and elsewhere using other marketing strategies and distribution channels Including by catalog sales, direct sales to and through wholesale or retail stores, grocery stores, restaurants, convenience stores, wholesale outlets, the Internet, and/or co-branding with others without compensation to You. You may not sell Our products and/or services using such reserved marketing strategies and distribution channels without Our prior written permission. You expressly acknowledge and agree that this license is non-exclusive, and that We retain the right in Our sole discretion: (i) to grant other franchises or licenses for Our trademarks in addition to those already granted to existing franchisees; (ii) to develop and establish other franchise or licensed systems for the same or similar products or services utilizing similar marks, or any other marks and to grant franchises or licenses thereto; and (iii) to use Our Marks in connection with the manufacture and sale of products at wholesale and at retail stores.

1.4 Entity Franchisee. If You are operating as a partnership, corporation, or limited liability company, You must designate the principal contact in connection with Your Franchise Business. This principal contact must be a general partner, manager, or controlling shareholder, and must be listed on Exhibit “A-3.” Such representative will have the authority to speak for and bind You in all matters pertaining to this Agreement and Your Franchise Business. You agree not to use Our Marks or any other name similar thereto in the name of any corporation, partnership or other entity owned or formed by You, whether to own or operate Your Franchise Business or otherwise. However, You are required to file a DBA as set forth in Section 7.2 below.

1.5 Relocation of Franchise. You must receive Franchisor’s written consent before You may relocate Your Franchise Business. You are solely responsible for all costs or expenses related to such relocation. In order for relocation to be approved, the proposed site to relocate must satisfy Our then-current franchise placement and demographics criteria, as expressed in the most current

version of Our Manual. We will notify You in writing on whether the relocation is approved or denied.

1.6 Franchisor Mergers & Acquisitions. You agree that Our System must be flexible to merge or acquire other businesses that are in a similar or different industry. Such mergers and acquisitions are potentially beneficial to all parts of the System. Therefore, You agree that We reserve the right to merge, acquire, license, enter into agreements with or engage in other business arrangements with other parties, regardless of whether or not they are competitive with Your Franchise Business. You agree to fully cooperate with any such proposed merger and conversion at Your expense.

1.7 Conduct of Business. You agree to be strictly limited to the operation of the franchise as set forth and permitted herein or in Our other written directives and in Our high expectations. You shall not operate any other business or conduct any sales or other activities whatsoever, either from Your Territory or elsewhere, without prior written approval from Us. You agree to offer all services that We may require the franchise to offer.

1.8 Termination of Rights. The rights granted to You under this Agreement are of limited duration and, upon expiration or termination of this Agreement, all rights to operate the franchise under the Sweeto Burrito™ name and participate in the System developed by Us shall immediately cease, and thereafter, Franchisee shall not hold itself out in any way as affiliated with Franchisor, the Sweeto Burrito™ name, or as a past or present participant of the System.

ARTICLE II: TERRITORY

As used in this Agreement, the term “Territory” means the geographic area that is granted to You and is described in the attached Exhibit “A-1”.

2.1 Territory Rights. Franchisor agrees to grant You a protected Territory for Your Franchise Business, as detailed in Exhibit “A-1”, where We will not establish or operate traditional outlets, or grant to any person or entity a franchise within Your Territory, using the same or similar System as that licensed by this Agreement within one (1) driving mile of Your Territory. However, Franchisor may open outlets located in non-traditional locations, such as airports, convenience stores, theme parks, sport venues, or any other similar non-traditional location that We may develop in the future at Our sole discretion. Any rights not expressly granted to You are expressly reserved for Us.

2.2 Catering. You have the right to provide catering services within Your Territory. However, You must receive Our prior written approval to provide any catering services outside of Your Territory, and unless otherwise clearly indicated, such approval will only apply to a specific event, and You must seek Our prior written approval each time You desire to cater outside of Your Territory. No course of conduct of providing catering services outside of Your Territory will be construed as expanding Your Territory.

ARTICLE III: FEES, REPORTS, AND STATEMENTS

3.1 Initial Franchise Fee. In consideration of the grant of rights hereunder, Franchisee shall pay LEON COMMERCE CO., LLC, upon the execution of this Agreement, an initial franchise fee in the amount of Thirty Thousand Dollars (\$30,000.00) (“Initial Fee”), in one lump sum at the time of execution of this Agreement in return for which Franchisee shall receive all the rights as defined herein to operate a business for the sale of specialty burritos, wraps, salads, bowls, and other food related products and services under the Sweeto Burrito™ name, subject to compliance with the terms of this Agreement. This Initial Fee is fully earned upon the acceptance of this Agreement by Franchisor and is non-refundable. The Initial Fee must be paid in full before any right or privileges exist for Franchisee under this Agreement.

3.2 Royalty. In consideration of Your right to use Franchisor’s Intellectual Property and System in accordance with this Agreement, You shall pay Us a non-refundable continuing monthly royalty equal to five percent (5%) of Your Gross Sales in accordance with Paragraph 3.4.2 below. “Gross Sales” is defined as the total sales of all products, goods, or services rendered by Your franchise and income of any kind related to Your Franchise Business. Gross Sales do not include the cost of goods sold, operating expenses, tax expenses, or other charges. If there is a change in the law affecting the collection of royalties, You agree to allow Us to modify what can be calculated as Gross Sales.

3.3 Brand Development Fund Fee. In consideration of Our marketing and promotional programs that may benefit Your Franchise Business, You agree to pay Us a monthly brand development fund fee of two percent (2%) of Your Gross Sales, in accordance with Paragraph 3.4.2 below, and You also agree to spend at least an additional two percent (2%) of Your monthly Gross Sales for local marketing and promotional programs in Your Territory (“Brand Development Fund Fee”). The Brand Development Fund Fee is subject to change, at Our discretion, for the best interest of the System.

3.3.1 Grand Opening Advertising. In addition to the local advertising requirements, We recommend that You spend an additional amount of at least \$1,500 on promotion and advertising of the Franchise Business during the period beginning two weeks prior to and ending two weeks following the opening of Your Franchise Business (“Grand Opening Advertising”).

3.3.2 Marketing Cooperative. If a local marketing cooperative is formed, You are required to contribute as calculated by the cooperative. This contribution will not exceed Your required annual local marketing amount in a single year, unless a majority of franchisees in Your marketing cooperative agree to increase the contribution amount. Your contribution may be counted for Your Brand Development Fund Fee (discussed in Section 3.3 above).

3.3.3 E-Commerce Fee. In consideration of Our website that may benefit Your Franchise Business, You agree to pay Us a monthly e-commerce fee (“E-Commerce Fee”) of 0.5%. The E-Commerce Fee covers the costs of website maintenance, social media posts, online ordering, loyalty programs, and third-party delivery systems.

3.4 Financial Reports. Your royalty and Brand Development Fund Fee (specified in Sections 3.2 and 3.3 respectively) are to be made according to the calculation, reporting, and payment as follows:

3.4.1 Gross Sales Report. As long as You have provided access to Us to Your sales via Your POS system, we do not require a gross sales report. Otherwise, the “Gross Sales Report” will consist of all money received or accrued, sales or other services performed and such other information concerning Your financial affairs as We may require. You agree to send Us a “Gross Sales Report” no later than 5th day of each month for the preceding month’s Gross Sales, or as We so require, on forms satisfactory to Us, detailing the fees and royalties due to Us during the preceding month itemized by revenue producing activity as specified from time to time by Us, the Gross Sales for the prior month and other such information as We may require. Statements must be signed and certified as true and correct by You or Your authorized agent.

3.4.2 Payment Due Date. Payment of all fees are to be made by electronic funds transfer from Your Operating Account to Our pre-authorized account, or as specified by Us. The royalty and brand development fees as shown on the Gross Sales Report are due no later than 3:00 pm Mountain Standard Time on Tuesday of each week for the previous week’s sales (Monday through Sunday) (“Due Date”). Our current ACH agreement is attached as Exhibit “A-10” and may be modified at any time in Our sole discretion. We may require daily payment of royalty, marketing, and other fees in the future. You agree to only have one Operating Account.

3.4.2.1 Electronic Funds Transfer. You agree to participate in Our then-current electronic funds transfer and reporting program(s). You authorize Us to initiate debit entries and/or credit collection entries to Your Operating Account for the payment of all fees, royalties, or other amounts due hereunder to Us or Our affiliates. You shall, at Your sole cost and expense, instruct Your bank to pay all fees, royalties, or other amounts due hereunder to Us or Our affiliates directly from Your Operating Account, and promptly upon Our request, You shall execute or re-execute and deliver to Us a pre-authorized check form or such other instrument or draft Our bank may require. In connection with this requirement, You shall fill out and an Authorization for Electronic Funds Transfer form, in the form required by Us or such other form as the relevant financial institution require; Our current ACH agreement is attached as Exhibit “A-10” and may be modified at any time in Our sole discretion. You shall ensure that sufficient funds are available in the Operating Account to make all payments due hereunder by the 5th day of each calendar month, or upon such date as provided in the Manual from time to time.

3.4.3 Late Fees and Interest. If You fail to provide Us with the Gross Sales Report or fail to make any payment for fees by the Due Date, You agree to pay a late fee of Fifty Dollars (\$50) per day for each day the report or fees are not received by Us. These late fees are due five (5) days after You have received notice from Us. We have the right to adjust these late fees. In addition to any late fees, You agree all fees not paid when due will be subject to interest at the rate of eighteen percent (18%) per annum or the maximum rate allowed by law, whichever is less. Unpaid interest charges will compound annually.

3.5 Taxes. You shall pay, when due, any and all federal, state, and local taxes. If royalties or Brand Development Fund Fee are assessed tax, of any nature, You agree to pay the

taxing authority, or Us, a sum equal to the assessed tax for royalties or Brand Development Fund Fee.

3.6 Financial Statements. Upon Our request, You shall provide Us with a copy of each of Your reports and returns of sales, use and gross receipt taxes and completed copies of any state or federal income tax returns covering the operation of Your Franchise Business, all of which You shall certify as true and correct. Upon request, You shall deliver to Us financial statements, Including tax returns and profit and loss statements, in a form satisfactory to Us. In addition, within ninety (90) days after the close of Your fiscal year, You shall provide to Us, at Your expense, a profit and loss statement prepared on an accrual basis for such fiscal year and a year-end balance sheet. We will have the right to disclose data derived from such reports without identifying You or the address of the Franchise Business.

3.6.1 Access to Financial Records. You agree to allow Us or Our certified public accountant, or other authorized agent, to conduct computer and other audits for Your Franchise Business during normal business hours. This Includes the right to examine and make copies of Your books, records, financial statements, balance sheets, sales, and income tax returns for Your Franchise Business. You agree to keep complete and accurate records for Your Franchise Business.

3.6.2 Audits. If any audit, or other investigation, reveals a deficiency of three percent (3%) or more of Your reported Gross Sales, You agree to immediately pay Us the deficiency, the appropriate fine for late fees (as discussed in Section 3.4.3), and You agree to reimburse Us for the total expense of the audit or investigation which include the accountant's fees, travel expenses, room, board, and all other costs incurred in connection with the audit. If You fail to report Your Gross Sales or You fail to keep organized and readable records, it will be considered an understatement by more than three percent (3%).

3.7 Application of Payments. We may apply any payments received by You in any manner We prefer Including to any past due or then-current indebtedness of Yours for any fees or interest due under this Agreement.

3.8 Non-Refundable Fees. All fees set forth in this Agreement, Including royalty and Brand Development Fund Fee, are not refundable.

3.9 Funding. You take full responsibility for obtaining all necessary funding for Your Franchise Business. If You fail to acquire adequate funding to open Your Franchise Business, it will be considered grounds for terminating this Agreement.

3.10 Customer Complaints. You agree to respond promptly to customer complaints and to take all steps as may be required to ensure position customer relations. In the event We receive a customer complaint against You, You agree to pay Us a fine of Fifty Dollars (\$50) for each complaint we handle for You, plus You must reimburse Us for Our costs in resolving the matter.

3.11 Non-Compliance Fines. If You do not comply with Our policies or procedures, You will be subject to fines and charges set forth in Our Manual. These fines and charges for non-compliance are due upon receipt.

3.12 Fee Increases. Any ongoing fee payable to us may be increased by us, but this increase will be no more than 10% annually, unless indicated otherwise.

ARTICLE IV: TERM AND RENEWAL

4.1 Initial Term. This Agreement, unless previously terminated, shall continue for an initial period of five (5) years (“Initial Term”). If the law requires Us to provide You with notice before the termination or expiration of this Agreement and We fail to provide such notice, this Agreement remains in effect on a month-to-month basis until We have given You the required notice.

4.2 Renewal. If You are not in default under this Agreement, We may renew Your Franchise Business for additional five (5) year terms (“Renewal Term”), up to a total of twenty (20) years, if You provide Us with written notice of Your intent to renew at least one hundred eighty (180) days and not more than one (1) year prior to the expiration date of Your current term, provided the following are satisfied:

- i. You have complied with and timely met material terms and conditions of this Agreement throughout the term;
- ii. You have complied with Our material operating and quality standards and procedures and any required modification to such standards and procedures;
- iii. You have timely paid all monetary obligations owed to Us during the term of this Agreement;
- iv. You are not subject to any pending litigation or governmental proceeding which could have a material adverse effect upon You or Your Franchise Business;
- v. You agree to execute Our then-current Renewal Franchise Agreement (defined in Section 4.4), which may contain different performance standards, fee structures, and/or increased fees;
- vi. You agree to pay Us a non-refundable renewal fee, currently Two Thousand Five Hundred Dollars (\$2,500) (“Renewal Fee”), payable in full at the time the Renewal Franchise Agreement is executed. Additionally, You agree to pay royalties, Brand Development Fund Fee, and other continuing fees charged by Us at the then-current levels under the then-current franchise agreement for new franchisees;
- vii. You agree to execute a general release, in a form satisfactory to Us, of any and all claims against Us, Our parent, subsidiaries or affiliates and their officers, members, directors, attorneys, shareholders, and employees;
- viii. You agree that We can require You, at Your expense, to reasonably renovate, remodel, redecorate, re-fixtue and/or refurbish Your franchise to conform to Our then-current standards that Our new franchises must meet at the time the renewal takes effect; and

ix. You and Your manager(s) agree to attend and successfully complete any training, certification, or other programs that We may require. Additionally, You agree that You are responsible to pay for expenses Including those for travel, meals, lodging, and other related costs for such training.

4.3 Notice of Non-Approval. If, after receipt of Your notice to renew, We decide for good cause not to approve the renewal, We will give You such notice of non-approval as required by law.

4.4 Renewal Franchise Agreement. If We approve Your franchise renewal, You will be required to execute Our then-current franchise agreement (“Renewal Franchise Agreement”) which may be materially different from this current Agreement. The Renewal Franchise Agreement will supersede in all respects the terms and conditions of this Agreement, and You will be obligated to pay royalties and other continuing fees at the then-current levels required to be paid by new franchisees. You must sign and return to Us the Renewal Franchise Agreement within ninety (90) days prior to the expiration of the then-current term, or You will, at Our election, be deemed to have withdrawn Your request to enter into a Renewal Franchise Agreement and this Agreement will terminate at the expiration of the term then in effect. You will make all necessary arrangements to continue the occupancy of Your existing franchise location through the renewal term(s) unless We give written permission to relocate Your Franchise Business.

4.5 Refusal of Renewal Franchise Agreement. If You do not enter into a Renewal Franchise Agreement for any reason and continue to operate Your Franchise Business, We will deem that You have elected to renew on a month-to-month basis and You agree to accept to pay Our then-current fees, Including royalty fees, Brand Development Fund Fee, and other fees described in Our Manual. Your month-to-month Franchise Business may be terminated only by Us upon thirty (30) days prior written notice to You for any reason whatsoever.

ARTICLE V: CONSTRUCTION, COMMENCING OPERATIONS, AND LEASE

5.1 Location of Franchise. Our written approval is required before You commit to purchase, lease, or construct real property for Your Franchise Business. You shall submit to Us a written plan within twenty (20) days of the Effective Date, detailing the proposed franchise location, which shall comply with such site criteria as We may prescribe from time to time, financial projections, total investment and any other information reasonably requested. You are responsible to ensure that Your real property space complies with all local zoning, state, and federal laws, and all rules and regulations. Unless waived by Us in writing, You must hire a local real estate broker to find Your location. Additionally, You are responsible to obtain any required permits at Your own expense. If You do not submit a written plan of your proposed franchise location within twenty (20) days of the Effective Date, We reserve the right to terminate this Agreement and You will not receive a refund.

5.1.1 Acceptance of Proposed Location. As stated above, We must accept Your proposed location for Your Franchise Business in writing. Our notice of acceptance or rejection will be provided to You in writing within thirty (30) days after You have notified Us of a proposed location. You must give Us the street address of Your proposed location and any other information

that We request, including photographs or existing brochures of the proposed location. We will base Our acceptance of the proposed location on the following: appearance, potential customer base, traffic patterns and generators, proximity of competitors, accessibility, square footage, layout requirements, parking, and visibility. **We do not make any warranties or guarantees as to the potential success of any location regardless of approval or rejection.**

5.1.2 Relocation. You must obtain Our prior written approval before You relocate Your Franchise Business. All costs or expenses related to any such relocation shall be at Your sole expense. Any relation of Your Franchise Business must satisfy Our then-current franchise placement and demographics criteria. If We approve Your relocation, You must reimburse Us Our costs incurred as Your relocation fee.

5.2 Construction. If Your franchise location requires any type of construction, the construction must commence within six (6) months of signing this Agreement. We must be given written notice within five (5) days of You discovering a delay in construction. If the delay in construction is common and foreseeable, such as if the delay is due to good faith efforts to obtain necessary permits, We might grant You an extension, in Our sole discretion, by providing You with written notice of such extension which will contain the details outlining the terms of the extension. We reserve the right to inspect and supervise all construction activities. If the construction does not meet Our required specifications, We have the right to terminate this Agreement. If due to Your fault or neglect construction is stopped for thirty (30) or more days, We will determine You abandoned the construction and We retain the right to terminate this Agreement in Our sole discretion.

5.3 Lease. If You are leasing Your franchise Premises, You must provide Us with the location and mailing address of the Premises in writing. We reserve the right to review all lease documents prior to Your execution of any documents. The lease documents must provide a provision allowing the lease to be assigned to Us as detailed in Section 5.3.1 below.

5.3.1. Assignment. If You are the owner of the Premises where You will operate Your franchise, You agree to lease the Premises to Us upon expiration or termination of this Agreement at fair market rental value. If You are leasing the Premises where You will operate Your franchise, You agree to assign and transfer all rights and interests in the lease, at Our discretion, to Us, or a person, entity, or other franchisee We select, if the lease expires or terminates for any reason. The landlord must consent to such assignment by signing the attached Exhibit “A-8”. You must send Us an executed copy of all lease documents within fifteen (15) days after the documents are executed. We have the right, but not the obligation, to accept the lease or assignment.

5.3.2 Assumption of Lease. Upon forty-five (45) days from the date of expiration or termination of this Agreement or the lease agreement, We will determine whether or not to exercise Our right and option to lease or assume the assignment, whichever is applicable, of Your franchise Premises. If We exercise the option, You agree to make all Your obligations under the lease current as of the date We take possession of the Premises. You agree to indemnify Us against all losses and costs incurred by You during Your lease term. We will not pay Your arrearages. In exchange, We agree to indemnify You against all losses and costs incurred by Us during Our lease

term. You agree that We do not owe You any payment for the lease and the lease will transfer to Us without any costs, unless the Premises is owned by You.

5.4 Design. You agree to abide by Our interior and exterior design specification, as stated in Our Manual, for Your franchise solely at Your own expense.

5.5 Commencing Operations. You are required to begin operating Your franchise within nine (9) months of signing this Agreement. We require at least twenty (20) days written notice prior to the commencement of Your franchise. You must receive approval from Your local health department before commencing the Franchise Business. We reserve the right to inspect and approve Your Premises before opening. If You need an extension for these deadlines, provide Us with written notice of Your good faith efforts and We might grant You an extension, at Our sole discretion, of up to nine (9) months. If You fail to meet these deadlines, We have the right to terminate this Agreement.

5.6 Equipment and Opening Inventory. You are responsible for purchasing or leasing all equipment, tools, and inventory as We specify and as may be necessary for the operation of Your franchise. You must maintain all equipment and tools in good working order.

5.7 Limitations. You may not sell any other products or perform any other services from Your franchise Premises other than those products and services associated with Us and allowed under Our Manual and this Agreement.

ARTICLE VI: INTELLECTUAL PROPERTY

6.1 Intellectual Property. We and Our affiliates have the sole right to license, own, and control all the Intellectual Property relating to the franchise, which Includes the Marks, trademarks, service marks, System, copyrights, Confidential Information, Manual, trade names, trade dress, design, inventions, software, operations, and the like. You also agree this Intellectual Property will remain under Our sole and exclusive ownership and control. The parties hereto stipulate that as between them, such Intellectual Property is important, material, and gravely affects Franchisor's goodwill Including the effective and successful conduct of the business of Franchisor.

6.2 Restriction on Use of Intellectual Property. You understand and agree that You will not acquire any rights to Our Intellectual Property. You also agree that neither You or any of Your principals or agents will take any action that would prejudice or interfere with Our rights to Our Intellectual Property. You also understand that We are granting You a non-exclusive right to use Our Intellectual Property only in connection with Your Franchise Business, awarded to You under this Agreement, in compliance with Our Manual, this Agreement or with Our written permission. This grant of this non-exclusive right to use Our Intellectual Property and System is temporary and will expire when this Agreement terminates. Nothing in this Agreement gives You any right, title, or interest in any of Our Intellectual Property except to use such Intellectual Property in accordance with the terms and conditions of this Agreement. Any goodwill arising from Your use of Our Intellectual Property will inure solely and exclusively to the benefit of Us or Our affiliates and upon expiration or termination of this Agreement, no monetary amount will be attributable to any goodwill associated with Your use of Our Intellectual Property. You

understand and agree that any use of Our Marks, other than expressly authorized in this Agreement or with Our written permission, will constitute a breach of this Agreement and trademark infringement. You agree that during this Agreement and after it terminates that:

- i. You will not directly or indirectly contest or assist in contesting Our ownership of the Intellectual Property described in this Agreement;
- ii. You will not use Our Marks in any way that may cause them to be viewed negatively by the public;
- iii. You will not use Our Marks, without Our written permission, in any of the following ways:
 - a. as part of Your entity, legal business name, or on internal business documents such as on checks, bank accounts, or documents used for employee correspondence;
 - b. with any modifying terms, words, prefix, suffix, designs, or symbols;
 - c. for selling any unauthorized services or products in any location; or
 - d. as part of any domain name, electronic address, or search engine listing that You control on the Internet or any similar proprietary or common carrier electronic delivery systems, unless and only to the extent that We authorize You to do so.
- iv. When Our Marks are authorized for Your use, You agree to only use Our Marks with the letter “TM”, “SM”, or “®” as instructed by Us;
- v. You will not in any manner interfere with or try to disallow Our use of the Intellectual Property, including all derivatives or any other name, trademark, or service mark that is now or later becomes part of Our System;
- vi. You will not interfere with the use of the Intellectual Property by Our other franchisees or licensees at any time; and
- vii. You will not use any of the Marks or any marks, names or source indicators, including domain names, metatags and other electronic designations that are or may be confusingly similar to the Marks, except as expressly authorized in this Agreement.

6.3 Control of Marks. You agree that We own the Marks and derivatives and that Our Marks are valid trade names, trademarks, and service marks. You agree not to apply for any registration or other protections for any of Our Intellectual Property. Also, You agree that We have the sole control over any legal or administrative action concerning Our Intellectual Property. You agree to notify Us in writing, within three (3) days, of any claim, demand, or suit by any person, corporation, or entity that pertains to Our Intellectual Property. You must not communicate with any person other than Us, Our counsel, or Your counsel regarding any such apparent infringement, challenge, or claim to Our Marks. We will have complete discretion to take any action We deem

appropriate in connection with any infringement, challenge, or claim to any Mark and the We retain the sole right to enter into any settlement, litigation, or other proceeding arising out of any such alleged infringement, challenge, or claim related to any Mark. If We decide to defend or prosecute these claims or demands, You agree to complete all documents and do any such action that We, or Our legal counsel, deems to be necessary to carry out the defense or prosecution. If You would like to defend or prosecute a claim or demand, You must receive Our written consent to do so, and You agree to bear all costs for such proceedings and agree to Our oversight during all stages of the proceeding.

6.4 Copyrights. We, and Our affiliates, are the exclusive owners of all rights, titles, and interests in all materials We require or provide to You, Including all artwork, design, copyright, trademark, or other rights that We created and that are used in association with Our System. You acknowledge and agree that all materials created by You, other persons, entities, or those employed by You or Us, during the term of this Agreement, are to be regarded as “works made for hire” under the copyright laws of the United States and are Our sole and exclusive property which We can use and license others to use. Our rights include the right to own and register all foreign and domestic intellectual property rights (and renewals and extensions thereof) related to Our Marks or System and the right to use and change them in any manner We determine. In the event that any materials created by You, or Your affiliates, are not determined to be “works made for hire”, for any reason, You hereby irrevocably and unconditionally assign all rights to Us and agree to execute such additional documents as may be requested by Us to evidence Our ownership of the rights. You hereby expressly waive any “moral rights” or similar claims that You may have in connection to any materials. In the event that materials are not copyrightable, You irrevocably assign any and all ownership to Us.

6.5 Preserving Secrecy. You agree that it is vital to all of Our success that Our Confidential Information remains secret. In order to preserve the secrecy of Our Confidential Information, You agree to:

- i. stringently adhere to all security procedures and practices ordered by Us;
- ii. only to disclose information to the extent necessary to Your employees in order to market services and products;
- iii. not use any Confidential Information in any manner not specifically authorized or approved by Us in writing; and
- iv. use the highest degree of carefulness and make every effort to maintain the absolute secrecy of all Confidential Information during and after the term of this Agreement.

6.6 Manual. In order to protect Our reputation and goodwill and to maintain standards of operation under the Marks, You shall conduct Your Franchise Business under Our System in accordance with Our Confidential Operations Manual (“Manual”) which is on loan to You during the term of this Agreement. You agree that the Manual will remain Our exclusive property. You agree that Our materials Including recipes, menus, formulations, and ingredients and the content of the Manual, as well as Your knowledge of Our materials Including recipes, menus, formulations, and ingredients processes, services, products, know-how, and the System are secret,

unique, and confidential and that they contain trade secrets and other material proprietary to Us. You agree to keep the Manual confidential and that You will not disclose the content of the Manual and proprietary items or materials set forth above, to unauthorized person(s) and will prevent unauthorized disclosure to any person(s) as disclosure would cause irreparable harm. You agree to only make the Manual available to employees who must have access in order to operate the Franchise Business. We have the right to modify or update the Manual from time to time to change operating procedures, maintain the goodwill associated with the Marks, and enable the System to remain competitive. You shall at all time ensure that You are using the most current version of Our Manual and You agree to make any changes to Your Franchise Business that are required by the updates to Our Manual. If We provide You with access to the Manual online, then You shall have the responsibility to monitor the online version for any changes, additions, or deletions. Any dispute related to the contents of the Manual will be controlled by the terms of the master copy of the most current version of the Manual maintained by Us at Our principal place of business. The contents of the most current Manual Including specifications, procedures, and rules will constitute provisions of this Agreement as if they were set forth herein. You agree not to copy or duplicate in any format Our Manual or other proprietary documents or information. Upon the termination or expiration of this Agreement, or upon Our request, You agree to return all Manual and documents that contain confidential or proprietary information to Us.

6.7 Modifications. You agree that We retain the right to make modifications or discontinue the use of any of Our Marks in Our sole discretion. In the event that Our trademarks, service marks, logos, font, symbols, or any other Mark is modified or discontinued, You agree to make all changes that We request and You agree that You are responsible for any costs associated with the aforementioned modification or termination.

6.8 Improvements. If during the term of this Agreement, You develop any improvements to the System or other Intellectual Property, You will fully disclose the improvements to Us, and not to others, and will obtain Our written approval before implementing these improvements. You agree that any improvements that You might develop may be used by Us and all other franchisees without any obligation to compensate You. You also agree that We have complete ownership and control over any improvements, and You will assign to Us all rights, titles, or interests You may have in these improvements. We reserve the right to apply for and own any Intellectual Property rights related to the improvements and You will assist Us in securing these rights.

6.9 Products with Marks. You agree that We have to right to require You to purchase all items and goods bearing Our Marks, other trademarks, service marks, or private label from Us or a business designated and approved by Us. We may obtain income through marking up items or goods or We may receive fees or other consideration from suppliers.

6.10 Use of Marks in Marketing. We grant You the right to use Our Marks for marketing purposes in Your Territory during the term of this Agreement. Our Marks must only be used for the sale of products or services authorized in the Manual, or with Our written permission.

6.11 Customer Data. We grant You a royalty-free non-exclusive right to use Our Customer Data during the term of this Agreement. Our Customer Data includes any goodwill

related to potential or actual customers and is Our sole property. You agree to comply with all laws pertaining to the privacy of consumers, employees, and transaction information. If We permit You to use Our Customer Data, by written consent, to advertise to current or potential customers, You will be solely responsible to abide by all applicable laws Including the CAN-SPAM Act of 2003.

6.12 Additional Documents. You agree that You will complete any additional papers, documents, or assurances that are requested by Us in connection with Our Intellectual Property. You also agree to fully cooperate with Us and any of Our other franchisees or licensees in obtaining required consents of any state agency or legal authority for use of Our Intellectual Property now owned or later obtained.

ARTICLE VII: INDEPENDENT CONTRACTOR

7.1 Independent Contractors. The only relationship between Franchisor and Franchisee created by this Agreement is that of independent contractor. You and We agree that this Agreement does not create any fiduciary, special, or other similar relationship and that You are not an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of Franchisor for any purpose whatsoever. You agree, in all dealings, You are an independent contractor. You shall disclose in all dealings with third parties, such as employees, suppliers, and customers, that You are an independent entity licensed by Us, Including by placing notices of independent ownership on forms, business cards, stationery, advertising, websites, and on Your Franchise Business' Premises. Further, You agreed that You are not an affiliate of Franchisor and neither party is liable for any debts, liabilities, taxes, duties, obligations, defaults, compliance, acts, negligence, or any other errors or omissions of the other party. You are to exercise sole control and have complete responsibility for all labor relations and the conduct of Your agents and employees Including the daily operations of the franchise; hiring, supervising, and terminating employees; and paying all expenses for Your Franchise Business. You will notify each of Your employees that they are only an employee of You and not an employee of Franchisor or Franchisor's affiliates for any purpose. Franchisor has no authority to hire, fire, promote, or demote any of Franchisee's employees or take any disciplinary action whatsoever against any of them. Additionally, You must ensure that no payroll checks or other employment-related documents contain or reference the Marks or Franchisor's name.

7.2 Independent Franchise. You must file for a "certificate of assumed or fictitious name" or "doing business as" (DBA) as required by the state law where Your franchise is located, accompanied by Your assigned franchise unit number, within thirty (30) days of signing this Agreement, so that the public is notified that You are operating Your Franchise Business as an independent business pursuant to this Agreement.

7.3 No Authority. You acknowledge and agree that You are an independent contractor and nothing in this Agreement authorizes You to make any contract, agreement, warranty, or representation on Our behalf or create any obligation on behalf of Us. Furthermore, no actions taken by You, Your employees, or Your agents will be attributable to Us or be considered actions obligating Us. In no event will We assume liability for, or be deemed liable under, this Agreement as a result of any such action, or for any act or omission of You or any claim or judgment arising therefrom.

ARTICLE VIII: FRANCHISEE’S REPRESENTATIONS, WARRANTIES, AND COVENANTS

8.1 Representations, Warranties, and Covenants. During the term of this Agreement, and in addition to other obligations set forth in this Agreement, You represent, warrant, and covenant the following:

i. You agree that no statement that pertains to this Agreement contains or will contain any false statements or omit any material facts and all information You provide to Us is and shall remain true, accurate, and complete. Further, You agree to notify Us in writing within seven (7) days of any changes to the information You have provided Us, which will be certified by You as true, correct, and complete;

ii. If You are an entity, You agree that You are duly organized and validly existing under the law of the state of formation. Also, You are duly qualified and authorized to do business in each jurisdiction in which Your business is located. Additionally, You ensure that this Agreement will not violate or breach Your certificate of incorporation, bylaws, or any agreement or contract to which You are a party;

iii. You will use Your best efforts in operating Your franchise and in recommending, promoting, and encouraging patronage of all Sweeto Burrito™ locations;

iv. You will not engage, directly or indirectly, as an owner, operator, or in any management position in any business, Including any other business that offers products or services that are essentially the same as or substantially similar to Sweeto Burrito™ Including businesses that offer burritos, wraps, salads, bowls, and similar food services and products unless You receive Our permission in writing. It is permissible under this Agreement for You to own equity or securities of any business whose shares are traded on the stock exchange or on the over-the-counter market;

v. You will operate Your franchise in compliance with all local, state, and federal, laws, rules, and ordinances, Including all zoning laws. You will comply with all labor regulations Including local minimum age and minimum wage requirements. Additionally, You must be in compliance, solely at Your own expense, with the Americans with Disabilities Act, the Patriot Act, OSHA, environmental laws, worker’s compensation laws, the Affordable Care Act, and all other applicable laws, ordinances, and regulations. Further, You must comply with federal, state, and local health and consumer protection laws and regulations related to the foodservice industry and food preparation, handling, storage, menu laws, and nutritional claims;

vi. You will discover and obtain all required permits and licenses for Your Franchise Business, solely at Your own expenses, without any reliance on Us, and You will keep all permits and licenses up to date; and

vii. You will refrain from engaging in any activity that may possibly cause any public criticism of Our System.

8.2 Premise. You will maintain the Premises of Your Franchise Business, and all related signs and equipment, in a clean, attractive manner and will keep the Premises in good repair, providing prompt attention to any part of the Premises in need of service. If Your Premises is not maintained or is not clean, You will be subject to fines as provided in Our Manual and this Agreement may be terminated in Our discretion. Your employees must comply with Our dress code anytime they are on the Premises or are representing the franchise. Additionally, You agree to:

i. Follow the strict format, developed by Us in the Manual, for arranging the fixtures, signs, furniture, and décor of the franchise. You will work with Our suppliers to provide Your Franchise Business with these items or purchase from sources that We approve in writing;

ii. Display at least one (1) exterior sign that has Our Marks and one (1) interior sign that has Our Marks and menu. You agree that We may require additional signs to be displayed in Our Manual and You agree to adhere to this requirement. Additionally, You agree to keep all signage in good condition and ensure repairs or replacement are timely completed at Your sole expense as We reasonably determine to be necessary;

iii. Work with Our supplier for any deliveries, We will not provide assistance for any deliveries or installation of any required or approved purchases;

iv. Meet and maintain at all times all governmental standards and ratings applicable to the operation of the Franchise Business or such higher minimum standards and ratings as set forth by Us from time to time in Our Manual or otherwise in writing; and

v. Cause Your employees to wear apparel that conforms strictly to the specifications, design, color, and style approved by Us from time to time.

8.2.1 Mobile Unit. If Your Franchise Business includes a mobile unit, You agree to the Sweeto Burrito™ mobile unit solely for the operation of the Franchise Business in the manner and pursuant to the standards prescribed in this Agreement, the Manual, or otherwise in writing, and to refrain from using or permitting the use of the mobile unit or Franchise Business for any other purpose or activity at any time. No part of the mobile unit shall be leased to or managed (either directly or indirectly) by any party other than You without Our prior written consent. You agree to keep the mobile unit and mobile kitchen used Your Franchise Business at all times in a high degree of sanitation, repair, order, and condition and in conformity with standards and specifications described in our Manual, Including such maintenance and repairs to all fixtures, furnishings, uniforms, signs, and equipment as We may from time to time reasonably direct.

8.3 Remodels and Upgrades. You agree that in order to maintain a modern and uniform image, We have the right, at any time, to require You to perform any repairs, replacements, repaints, modernizations, redecorations, or other remodels and upgrades at Your sole expense, in a timely manner that We prescribe, as We deem necessary. Upon Our request, You agree to install, update or replace any equipment, Including cash registers and/or computers, or software designated by Us for use pursuant to the System, Including software designed to facilitate or enhance communications and software designed for the purpose of recording receipts at point of

sale, and to utilize equipment including locked totaling devices and software of such kind and in such manner as is specified by Us in the Manual or otherwise in writing. Additionally, We reserve the right to change Our Mark and You agree to conform Your Franchise Business to any changes with Our Mark and to keep Your Franchise Business up to date with Our current trade dress. These remodels and upgrades may be a significant capital expenditure that You can expect to incur.

8.4 Customer Service. You must provide prompt, courteous, and efficient customer service to everyone that enters Your franchise. You must follow Our policies, practices, and procedures contained in Our Manual regarding the high standards We have developed for the treatment of customers. You will protect, maintain, and enhance the reputation and goodwill We have developed for the franchise and Our System.

8.5 Day-to-Day Operations. You agree to be responsible for the operation of Your Franchise Business, however, You are not required to personally participate in the direct and on-Premises operation of Your franchise as You may appoint a manager who will give his or her full attention and best efforts to the management of Your Franchise Business. You understand that absentee management may significantly increase the risks associated with Your Franchise Business. Your appointed manager must complete and pass Our initial training program before assuming the role of manager. You agree to operate Your Franchise Business in conformity with such methods, standards, and specifications as We may from time to time prescribe in Our Manual to ensure that Our required degree of quality, service, and image is maintained; and shall refrain from deviating therefrom and from otherwise operating in any manner that adversely reflects on the Sweeto BurritoTM name and goodwill, or on the Marks. You must maintain sufficient inventory, supplies, products, and employ adequate personnel so that Your Franchise Business runs at maximum efficiency. You agree to abide by Our operating hours and closing requirements set forth in Our Manual to maintain uniformity with all other locations. Although You do not have to personally participate in day-to-day operations, You do agree to participate in Your Franchise Business as follows:

- i. You agree to attend and pass all Our required training and retraining courses, and attend any annual or special meetings called by Us;
- ii. You agree to be responsible for all accounting, reporting, and bookkeeping;
- iii. You agree to be directly involved with selecting Your Premises site, construction, remodeling, and all financial elements of Your Franchise Business;
- iv. You agree that You and Your manager must be directly involved in all personnel decisions that affect Your Franchise Business; and
- v. You agreed that You and Your manager will not engage in any conflicting or competing business ventures or any other activities that would be detrimental or interfere with Your Franchise Business.

8.6 Employees. The employees of Your Franchise Business are Your sole responsibility and You are to handle all hiring, firing, compensation, benefits, and training of Your employees. Your employees are not Franchisor's employees for any purpose whatsoever. Therefore, We will not assist You in any area related to Your employees.

8.7 Required Insurance. You, at Your sole expense, beginning the day You use any of Our Marks and continuing throughout the duration of this Agreement, Including any renewals or extensions, agree to obtain and maintain the types of insurance found in Our Manual or otherwise required by Us in writing and will designate Franchisor as an additional named insured, Including at a minimum the following insurance coverages:

- i. Employer's liability and worker's compensation insurance as prescribed by law.
- ii. Comprehensive commercial general liability insurance, Including product liability coverage, of at least Two Million Dollars (\$2,000,000) covering two or more persons or two or more incidents.
- iii. Automobile liability insurance for any and all franchise vehicles with a combined single limit of at least One Million Dollars (\$1,000,000) for death, personal injury, and property damage.

These insurance requirements are only minimums and You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate.

You shall deliver to Us upon acquisition of and then once annually certificates of all required insurance, showing LEON COMMERCE CO., LLC as an additional insured, each of which shall contain a statement by the insurer that the policy will not be cancelled or materially altered without at least thirty (30) days prior written notice to Us. The procurement and maintenance of such insurance shall not relieve You of any liability to Us under any indemnity requirement of this Agreement.

8.7.1 Insurance Rating. All insurance policies carried by You must be written by a responsible insurance company licensed in the state where Your Franchise Business is located and the insurance company must be rated "A" or better by the A.M. Best Company, Inc. and otherwise reasonably acceptable to Franchisor.

8.7.2 Insurance Compliance. We reserve the right to periodically monitor Your compliance with these insurance requirements and You agree to assist Us by providing any documentation We may request for such monitoring. If You fail to obtain or maintain the required insurance minimums, We may obtain or maintain these insurances for You, at Our discretion, and You will pay Us upon demand the premium costs. Failure to obtain and maintain the minimum required insurances will be deemed a material breach of this Agreement and will allow Us to terminate this Agreement at Our discretion. We reserve the right to increase the amounts of coverage required and/or require different or additional coverage. You will also obtain all other insurance required by city, state, and federal law.

8.8 Pricing. To the extent permitted by law, We may suggest retail prices including maximum and minimum pricing for items or services sold at Your franchise. You may not exceed the maximum price We determine but may charge a price less than the maximum and You may not price items below the minimum price We determine but may charge a price higher than the minimum.

8.8.1 Gift Cards. If We decide to adopt coupons, gift cards, or other discount programs, You are required to implement such programs at Your Franchise Business.

8.9 Computer System. You must purchase or lease, at Your sole expense, a computer system, point of sale (“POS”) system, and other computer hardware and software systems designated by Us in strict accordance with Our specifications, Including software requirements, that are subject to change at Our discretion. Such changes to software requirements or information technology (“IT”) upgrades may be a significant capital expenditure that You can expect to incur. You must provide Us with full 24-hour 7 days a week access with the right to upload or download information from all of Your computer systems used for Your Franchise Business. You agree that You will not make any claim against Us or Our affiliates for any loss, damage, liability, or expense caused by or related to failures, errors, or otherwise of any computer, POS, hardware, or software system.

8.9.1 Record Retention. You shall, in a manner satisfactory to Us, and in accordance with generally accepted accounting principles, maintain original, full and complete records Including recording all sales at the time sold in Your computer system or other system approved by Us in writing. You must retain all computer records, register tapes, charge account records, other records, invoices, orders, returns, sales tax reports, accounts, books, data, licenses, contracts, supplier invoices, and all of Your other business records and related back-up materials, tax returns, and financial reports that accurately reflect all particulars relating to the Franchise Business and such statistical and other information or records as We may require, during the term of this Agreement and for at least five (5) years after termination or expiration hereof. Upon Our request, You shall provide Us with copies of any and all product supply invoices reflecting purchases by or on behalf of the Franchise Business. In addition, You shall compile and provide to Us any statistical or financial information regarding the operation of the Franchise Business, the products and services sold by it, or data of a similar nature, Including any financial data, as We may reasonably request for purposes of evaluating or promoting the Franchise Business or Our operations in general. All data provided to Us under this Article shall belong to Us and may be used and published by Us in connection with Our operations.

8.9.2 Merchant Account. You agree to join Our merchant account and other sale programs described in Our Manual. You must maintain debit card, credit card, and other non-cash payment systems using the merchant account and merchant account services as set forth in Our Manual.

8.9.3 Compliance Monitoring System. We may require You to install a compliance monitoring system. This system will be a management tool and We will have the right to access Your system, although We are not required to monitor Your Franchise Business. You acknowledge and agree that We have the right to access and use all such records, information, and data contained therein. You and Your employees will waive any rights to privacy, and You will ensure there is a provision in Your employee applications requiring Your employees to sign and waive their right to privacy in accordance with the compliance monitoring system. You agree to indemnify and hold Us harmless from and against any claims related to the compliance monitoring system.

8.10 Conferences and Seminars. We may hold conferences or seminars, at Our discretion, for all franchisees to discuss topics such as improvements, new developments, mutual concerns, sales techniques, personnel training, bookkeeping, accounting, inventory control, performance standards, marketing, merchandising, etc. Your attendance at these conferences or seminars is mandatory. We charge a fee for attending the conference or seminar, which currently ranges from \$250 to \$1,000 per attendee, and You are responsible for the fee and any costs associated with attendance Including meals, lodging, employee wages, and travel.

8.11 System Compliance, Testing, and Inspections. You agree to strictly follow Our System and Manual for products or services of Your Franchise Business and to the following:

8.11.1 Required Purchases. You are required to purchase all of the Sweeto Burrito™ food and beverage products, equipment, logoed and Sweeto Burrito™ branded items, and other items and supplies from sources designated or approved by Us. We will provide You with a list of specifications for approved products, equipment, supplies, and materials.

8.11.2 Modifications. We reserve the right to modify, delete, add, or otherwise make changes to Our System, Intellectual Property, Manual, and operations at any time at Our sole discretion by proving You with written notice of such modifications. You agree to accept and comply with all change made by Us at Your sole expense by such time that We prescribe in Our written notice of modifications. Such changes may result in a significant capital expenditure that You can expect to incur. Additionally, We may approve exceptions or changes from the uniform standards which We, in Our sole discretion, believe necessary or desirable, You have no right to object to such variance or to obtain the same variance for Yourself.

8.11.2.1 Modification in Products, Goods, or Services. You agree to sell and offer for sale such products, good, and services as We may from time to time require, and only those that We may, from time to time, approve in writing, which are not subsequently disapproved as meeting Our quality standards and specifications. In addition to any repairs, replacements, and redecorations required by this Agreement, to introduce new products or services through all Sweeto Burrito™ operations, You may be required to expend additional amounts on new, different, or modified equipment or fixtures necessary to offer such new services or products. In such event, You shall have up to three (3) months to complete any modifications necessitated by the introduction of such new products and/or services.

8.11.2.2 Variances. Because complete and detailed uniformity under many varying conditions may not be possible or practical, and in order to remain competitive and respond to new technology, customer needs and market conditions, We specifically reserve the right and privilege, in Our sole discretion and as We may deem in the best interests of all concerned in any specific instance, to vary standards based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices or any other conditions that We deem to be on importance to the successful operation of Your Franchise Business. You shall have no recourse against Us on account of any variance from standard specifications and practices granted or denied to You or to any franchise owner and shall not be entitled to require Us to grant You a like or similar variance hereunder.

8.11.3 Compliance. If We approve changes to Our uniform standards or System, You have no right to object to such changes and must comply with Our current standards and System at all times. You must maintain a valid email address, known and available to Us and frequently checked by You, that is to be used for Us to contact You. You may not alter, change, or modify the System without Our prior written consent.

8.11.4 Inspections. You agree to reasonable inspections conducted by Our agents during normal business hours, without notice and without payment therefor in amounts reasonably necessary for testing, to determine whether samples meet Our then-current standards and specifications. You acknowledge and agreed that You have no right to test, develop, or trial any non-approved service or product without Our prior written approval

8.11.5 Defects. You agree to immediately correct any defects that We notify You of from time to time. If You fail to correct such defects, You may receive a fine set forth in Our Manual and We may, at Our discretion, terminate this Agreement.

8.11.6 Non-Compliance. If You are found to be in non-compliance with Our System, Manual, or standards, You will be charged a fine as set forth in Our Manual. The fine is due upon billing. The fine helps to defray our administrative and corporate costs related to the breach and remedy. Your payment of such fine does not affect our right to termination this Agreement if termination is permissible based on the terms of this Agreement.

8.12 Personal Guarantees. Each person, or entity, who owns five percent (5%) or greater must sign Our non-competition agreement attached hereto as Exhibit “A-4.” Additionally, such person, or entity, must guarantee all obligations under this Agreement and agrees to be personally bound by, and liable for the breach of, every provision of this Agreement by executing Our personal guaranty attached hereto as Exhibit “A-2.”

8.13 Drug Testing. We undertake no obligation to perform drug testing on You or Your employees, but We may require You and Your management employees to submit to random drug testing if We feel it is necessary to ensure compliance with Our policies.

8.14 Vending Machines. No vending machines, cigarette machines, amusement devices, jukeboxes, or other like devices are allowed to be used at Your Franchise Business without Our written consent.

8.15 Disclosure. We are permitted to disclose any information, Including Your name, franchise address, franchise telephone number, franchise general financial information, email address, or other information We deem necessary in Our disclosure document.

8.16 Our Protections. Any required standards are put in place to protect Our interests and not to establish control, or a duty to take control over, any matters that are reserved to You.

ARTICLE IX: FRANCHISOR'S OPERATIONAL ASSISTANCE

9.1 Pre-Opening Assistance. Prior to Your franchise commencing business, We shall provide You with the following pre-opening assistance:

- i. Consult with You about the layout of the franchise and the interior décor to meet Our specific design standards.
- ii. A list of products, signs, and equipment needed to operate the franchise.
- iii. A list of specifications and a list of Our approved Suppliers, which may be updated from time to time at Our sole discretion.
- iv. We will not offer assistance with the delivery or installation of any items.
- v. Approximately two (2) days of training before the opening of Your franchise for up to three (3) individuals including the owner and manager (who may be the same person) in the operation of the Franchise Business. Such training shall be conducted exclusively by Us or Our designees at Franchisor headquarters in Utah or a site to be designated by Us. You must pay all of Your own and Your employee's expenses incurred with such training, including travel, meals, room, board, wages, and living expenses.

You must successfully complete, at least 40 hours of training over no more than five (5) consecutive days at the Franchise Business by Our representative to take place around the time of the grand opening of Your Franchise Business. If You need additional onsite training and support after initial training certification, We will offer up to 20 hours of on-site training over up to two (2) consecutive days at Your expense (per diem plus additional lodging expenses), depending on Our representative's availability.

vi. One (1) copy of Our Confidential Manual, or access thereto, which shall be amended from time to time at Our sole discretion and returned to Us at the termination of this Agreement.

vii. Forms to record reporting transactions to Us in accordance with this Agreement. Subsequent supplies will be available at Our cost plus handling charges.

9.2 Opening Assistance. We shall provide You with the following opening assistance.

i. Consulting with You regarding marketing for the grand opening of Your Franchise Business, We recommend You spend at least One Thousand Five Hundred Dollars (\$1,500) on promotion and advertising during the two (2) weeks prior to opening and two (2) weeks after opening Your Franchise Business. You will be given access to Our online marketing materials.

ii. Making Ourselves available to You for guidance related to general operations of the franchise by telephone or email. If You need in-person assistance, We can arrange

a time and place with You for Our-then current fee for additional training plus costs of food, travel, and lodging.

iii. Replacing defective products or other inventory items You purchased directly from Us upon prompt notice from You. We will not make any arrangements with Our manufactures to replace defective equipment, products, software, or other purchased items, You must address the specific manufacture directly for these types of problems.

iv. Training program, including for any replacement manager for a fee of Two Hundred Fifty Dollars (\$250) per person per day, plus travel, food, lodging and other expenses, beyond the initial three individuals included in the initial training. You acknowledge and agree that this fee may change at any time in Our discretion by providing You with sixty (60) days notice.

We also provide additional on-site assistance for a fee of One Hundred Dollars (\$100) per day per representative if You request in person assistance or Three Hundred Dollars (\$300) per day per representative if We require in person assistance at Your Franchise Business, plus travel, food, and lodging expenses of Our representative(s) or Our then-current fee as provided in the Manual.

We may periodically offer additional training and conventions and require You to attend. You will not be required to pay a training fee for such additional training that We require. We may provide additional or supplemental training to You upon Your reasonable request. Such supplemental training will be scheduled based upon Our availability. You must pay a reasonable training fee for additional training that You request. For all additional training, You must pay all expenses that Your attendees incur, Including meals, lodging, entertainment, and salary.

v. Inspecting Your Franchise Business periodically at reasonable intervals by Our authorized representative for compliance with Our System, standards, and Manual. You must comply with all of Our recommendations discovered upon such inspection.

vi. We will provide a central website with information regarding Sweeto Burrito™ operations (the “Central Website”) and a webpage providing basic information regarding the Franchise Business (the “Locations Webpage”). You shall provide Us in a timely manner with all information and content required by Us for the Locations Webpage, and You represent that You have all necessary rights to use such information and content. You shall not link to or frame the Central Website or Locations Webpage without Our written consent. You acknowledge and agree that We make no, and expressly disclaim all, warranties with regard to the availability of the Central Website or the Locations Webpage. We shall have sole discretion regarding the look, feel and content of the Central Website and the Locations Webpage and may change, revise, and/or eliminate contents, elements, and sections of the Central Website and Locations Webpage in Our sole discretion at any time. You acknowledge and agree that as between the parties We own all rights, title and interest in the and to the Central Website, Locations Webpage and all content, graphics, photographs, and other works of authorship included therein, excluding any content provided by You that does not include or display the Mark.

ARTICLE X: PRODUCTS

10.1 Suppliers. You agree to purchase all fixtures, furnishings, signs, equipment, inventory, uniforms, advertising materials, services, and other supplies, products, and materials required by Us for the operation of the franchise solely from suppliers who have been approved, in writing by Us, for such items using Our sole discretion. We reserve the right for Us and Our affiliates to derive revenue from the sale of required goods and services through mark-up prices that are charged to You for goods and supplies purchased from Us or We may receive compensation or discounts from suppliers for Your purchase of certain items. You agree We and Our affiliates are entitled to such fees and other consideration. Any funds paid to Us for goods or services are non-refundable.

10.2 Unapproved Suppliers or Products. You must obtain Our written consent if You wish to purchase or sell any items from an unapproved supplier. We may require You to submit to Us samples, ingredient lists, or any other data relevant to Our decision on whether such items meet Our specifications. Designation or approval of a supplier may be conditioned on factors Including the frequency of delivery, standards of service, inability to maintain quality or an adequate supply of goods, inability to meet or maintain acceptable pricing, payment options, testing, or other considerations We designate. If We require testing of the item, You may be required, at Our sole discretion, to pay a testing fee of not less than Five Hundred Dollars (\$500) to cover Our reasonable costs and expenses for testing the item. This testing fee is nonrefundable no matter Our decision to accept or reject the item. You also agree to reimburse Us for all reasonable expenses incurred in evaluating all suppliers requested by You. We will notify You in writing of Our decision regarding the item within a reasonable time. If We approve an item through this process, We may determine that the supplier can provide the item to Your franchise only or to any of Our other franchise locations. Also, if We approve a new item, the rights and title to such items will become Our property. We reserve the right to revoke Our approval of an approved supplier by providing thirty (30) days written notice to You. We may make changes or alterations in the standards and specifications for the above items and approved suppliers from time to time. You are prohibited from selling, leasing, or offering any products, services, or items that have not been authorized by Us in writing.

10.3 Modification in Products. You agree to promptly add, remove, or modify any item or service offered by Your Franchise Business upon notice from Us at Your sole expense.

ARTICLE XI: MARKETING

11.1 Brand Development Fund. We have the right to maintain a national marketing and development fund ("Brand Development Fund") to be used as We deem necessary. The fees for the Brand Development Fund may be adjusted by Us and may increase over time. We will use all contributions and earnings from the Brand Development Fund that We receive from You, in Our sole discretion, as We deem necessary or appropriate for local, regional, national, internet, or international advertising Including the following:

i. Maintaining, administering, researching, directing, and preparing advertising for promotional activities Including costs of preparing and conducting internet,

telephone, cellular phone, television, radio, magazine, newspaper, or other similar advertising campaigns, public relations programs, or press releases;

- ii. Direct mail, internet, and billboard advertising;
- iii. Marketing research and development Including surveys and public relations activities;
- iv. Marketing materials Including décor, promotional materials, artwork, and advertising services;
- v. Training related to marketing, customer service, and sales augmentation;
- vi. Production and distribution of a period newsletter that provides franchise owners with industry news, suggestions, and advice on franchise operations;
- vii. Product development, research, signage, and brand image campaigns;
- viii. Our reasonable salaries, accounting fees, collection fees, legal fees, consulting services, internet fees and services, and any other costs related to marketing or development. We may include statements regarding the availability of franchises in any advertising and other items produced using the Brand Development Fund.

11.2 Brand Development Fund Administration. We will direct all marketing programs at Our sole discretion. We have no obligation to ensure that expenditures are or will be used equally in each region where franchises are located. We will not be required to spend any amount of marketing directly in Your area. Not all franchisees are required to contribute the same amount to the Brand Development Fund, and We may defer or reduce the amount of contributions for other franchisees in Our sole discretion. We may outsource marketing functions to an external source that We deem fit. We are not liable for any act or omission with respect to the Marketing Fund. Any unused Marketing Funds from the calendar year will be applied to the next years' fund.

11.3 Local Marketing. You are required to market Your Franchise Business locally as described in Section 3.3. Amounts spent to fulfill this local advertising requirement shall be used by You to conduct continuing local advertising in form, content, and media as outlined in the Manual and as approved by Us. You agree that Your marketing efforts and materials will be done in compliance with Our Manual and in good taste that will reflect favorably on Us and other franchises. You shall submit to Us evidence of such local advertising expenditures no later than ten (10) days following the end of each calendar quarter. We may increase the minimum local marketing requirement if We determine, in Our sole discretion, that it is in the best interest of the System.

11.3.1 Deficiency in Local Expenditure or Brand Development Fund Fee. In the event that You fail to expend the local marketing expenditure or Brand Development Fund Fee during any calendar quarter, We may immediately upon notice to You assess You for any such deficiency, which shall be deposited to and become part of the Brand Development Fund if in effect, or shall be expended by Us on national or regional advertising of Our operations.

11.4 Approval for Marketing. You shall only use marketing materials, advertising materials, printed materials, forms or other promotional materials in any medium that have been approved in advance by Us. You may develop marketing or promotional materials for Your use at Your own cost, if You obtain written approval from Us in advance of creating such materials. You may not employ any person to act as a representative of You or the System in connection with any local or other promotion of the Franchise Business or the System in any media without Our prior written approval. All marketing materials must in good taste and conform to ethical and legal standards and meet our requirements. Any marketing or promotional materials You create will become Our property and will be considered work-for-hire under the copyright laws and may be used by Us or other franchise locations without compensation to You. We reserve the right to prevent the use of any pre-approved marketing materials at any time using Our discretion.

11.5 Internet Marketing. You are not permitted to create a website or Social Media site for Your franchise to market on the internet unless You receive written permission from Us. If We grant You permission to use internet marketing, all content placed on the site must be pre-approved in writing by Us. All of Your Social Media use pertaining to the franchise must be in good taste and not linked to controversial, unethical, immoral, illegal, or inappropriate content. We may require You to use Our pre-approved website designers for a fee that is to be paid by You. You agree to provide Us with all usernames and passwords to access any internet site related to Your Franchise Business. Failure to comply with Our policies and procedures will be considered a breach of this Agreement.

You must participate in social media marketing and related programs specified by Us and in compliance with specifications in the Manual.

11.6 Cooperative Marketing. You agree to participate in all cooperative marketing programs as We prescribe from time to time. We will specify all terms for cooperative marketing in Our Manual.

11.7 Other Advertising Programs. You agree to participate in all other advertising and marketing and public relations programs designated by Us as mandatory.

11.8 Notice of Franchise. In all advertising displays and materials used with the Franchise Business, You shall, in such form and manner as We specify in the Manual, notify the public that You are operating the business licensed hereunder as a franchise owner of Sweeto Burrito™ and shall identify Your business location in the manner specified by Us in the Manual. Further, at Our request, You shall display, or otherwise make available through flyers in conjunction with delivery of goods or services, literature provided by Us relating to the availability of Sweeto Burrito™ franchises as supplied by Us at such location(s), as directed by Us from time to time.

ARTICLE XII: BREACH AND TERMINATION

12.1 Termination by Franchisee. If You are in compliance with this Agreement and We materially fail to comply with this Agreement, and Our failure is not cured within sixty (60) days of receiving written notice from You notifying Us of such failure, You may terminate this Agreement effective thirty (30) days after delivery to Us of notice of termination except if such cure, by its nature, may take longer than thirty (30) days to cure, then You may not terminate this Agreement so long as We are making a good faith effort to cure or remedy the breach.

12.2 Termination by Franchisor. We may terminate this Agreement before the expiration of its term if You breach or violate, and fail to cure, if curable, material term(s), condition(s), or provision(s) of this Agreement. The following is a list of curable defaults and a list of non-curable defaults.

12.2.1 Curable Defaults. In the event of any curable default by You, We will provide you with written notice of such default and provide You with directions for how to cure such default. If You do not cure such default to Our satisfaction within the required time period, or any longer time period that applicable law may require, We may elect to terminate this Agreement by providing You with written notice of termination. Alternatively, We may bring an action or claim for monies due or for a temporary or permanent injunction or other remedies allowed by law or equity. All of Our costs and expenses arising from such default(s), Including attorneys' fees and charges for Our employees' time, must be paid to Us within five (5) days following Our written demand. Curable defaults Include the following:

i. You fail or refuse to comply with the System or violate any health, safety, or sanitation laws, ordinances or regulations and do not cure such noncompliance within twenty-four (24) hours of Your receipt of written notice of such noncompliance.

ii. You fail to comply with any federal, state, or local law or regulation applicable to Your Franchise Business and do not cure such failure within twenty-four (24) hours of Your receipt of written notice of such failure.

iii. You fail to remedy any threat or danger to public health or other safety hazards Including those that result from construction or the operation of the Franchise Business and such threat, danger, or hazard is not cured within the time period required in the written notice from Us, or, if required in the notice, You fail to immediately close the Franchise Business and remedy the condition upon receipt of written notice of such failure.

iv. You fail to provide Us with written notice when You close any bank account related to the Franchise Business and fail to execute and deliver to Us all documents necessary for Us to begin and continue to make withdrawals from such bank account by electronic funds transfer as permitted under this Agreement and do not cure such failure within ten (10) days of Your receipt of written notice of such failure.

v. You fail to accurately report Your Franchise Business' Gross Sales or fail to make a payment due to Us for royalties, marketing contributions, or any other payment due under this Agreement and do not cure such failure within ten (10) days of Your receipt of written notice of such failure.

vi. You fail to allow Us to inspect Your Premises, books, or records and do not cure such failure within ten (10) days of Your receipt of written notice of such failure.

vii. You misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated thereof or Our rights therein and do not cure such misuse within ten (10) days of Your receipt of written notice of such misuse.

viii. You fail to timely register a DBA or similar filing in the state where Your Franchise Business is located and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure.

ix. You fail to execute and/or deliver to Us Your confidentiality and related covenants within ten (10) days after being requested to do so by Us and fail to cure such default within thirty (30) days of Your receipt of written notice of such failure.

x. You fail to employ adequate personnel to conduct Your Franchise Business at maximum capacity and efficiency and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure.

xi. You fail to conform to Our System and specifications Including selling products, goods, or services that are not approved or designated by Us, or You fail to sell products or services designated by Us and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure.

xii. You fail to use Your best efforts in promoting and developing Your Franchise Business or fail to market as required under this Agreement and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure

xiii. You fail, refuse, or neglect to obtain Our prior written approval or consent any time such approval or consent is required by this Agreement and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure

xiv. You fail to maintain insurance that is required and set forth in this Agreement and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure.

xv. You fail to pay, when due, obligations of taxing authorities, landlords, and other obligations of Your Franchise Business and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure.

xvi. You fail to comply with any other provision of this Agreement and/or the Manual, except as provided below as non-curable defaults, and do not cure such failure within thirty (30) days of Your receipt of written notice of such failure.

xvii. The failure of Your heirs to approve a transfer, within a reasonable time of not more than six (6) months after Your death or permanent incapacity and do not cure such failure within thirty (30) days of receiving of written notice of such failure.

12.2.2 Non-curable Defaults. You shall be deemed to be in material default and We may, at Our option, terminate this Agreement and all rights granted hereunder, without affording You any opportunity to cure the defaults under this Section 12.2.2, effective immediately upon Your receipt of written notice of termination for any of the following events:

i. You make any material misrepresentation or omission relating to the acquisition of Your Franchise Business or performance under this Agreement or any other agreement between You and Us or any of Our affiliates.

ii. You fail to open Your Franchise Business and commence business within nine (9) months after the execution of this Agreement.

iii. You fail to successfully complete the initial training program to Our satisfaction or otherwise do not meet Our management qualifications.

iv. You duplicate or utilize Our System, Manual, or any part thereof in connection with another business or entity.

v. You modify Our System, Intellectual Property, Products, or proprietary information Including the use of any substitutions or altered procedures in violation of Our Manual or this Agreement.

vi. You fail to comply with Our approved suppliers or make changes to Our products or services without obtaining Our written consent.

vii. You use any of Our Marks, proprietary information, or other Intellectual Property other than in connection with Your Franchise Business.

viii. You intentionally or recklessly disclose or use Our Manual, trade secrets, Confidential Information, or other propriety information in violation of this Agreement.

ix. You, or Your affiliates, fail to comply with Our noncompetition covenant under this Agreement.

x. You, or Your affiliates, breach in any material respect any of the covenants under this Agreement.

xi. You or any of Your owners, managers, or members make disparaging remarks against Us, other franchises, Our employees or management, Our brand, or Our affiliates in a public forum Including through radio, television, newspapers, and/or the internet.

xii. You engage in conduct that reflects negatively on Us, Our System, Marks, or other franchise locations Including engaging in any dishonest or unethical conduct..

xiii. You knowingly or intentionally conceal revenue, maintain false books or records, or submit any report or payment which defrauds Us.

xiv. You fail on three (3) or more separate occasions within any consecutive twelve (12) month period, after receipt of written notice thereof, to submit when due reports or other data, information, or supporting records or to pay when due the royalties, Brand Development Fund Fee contributions or other payments due to Us under this Agreement, whether or not such failures to comply were corrected after such written notice was delivered to You.

xv. You fail to pay when due any federal or state income, service, sales or other taxes arising from the operation of the Franchise Business, unless You are in good faith contesting Your liability for such taxes.

xvi. You or any of Your owners file bankruptcy or make an assignment for the benefit of creditors or admit in writing Your insolvency or inability to pay Your debts generally as they become due; or consents to the appointment of a receiver or trustee or liquidator of all or the substantial part of Your property; or the Franchise Business is attached, seized, subjected to a writ or distress warrant, or levied upon, unless such attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator of the Franchised Business or You is not vacated within thirty (30) days following the entry of such order; or if You are an entity, the entity is dissolved.

xvii. Your operation or maintenance of Your franchise results in a threat or danger to public health or safety.

xviii. You or any of Your owners, managers, or members commit or is convicted of, or pleads guilty or no contest, to a felony, a crime involving moral turpitude, or any other crime or offense that We believe, in Our discretion, will have a negative effect on Our System, Marks, goodwill, or other interests.

xix. You or any of Your owners, manager, or members use illegal drugs or abuse prescription medication or refuse to submit to Our request for drug testing.

xx. You attempt to transfer any part of this Agreement, Your Franchise Business, any material property associated with the franchise, or You attempt to license any of the rights of this Agreement without obtaining Our prior written consent and approval.

xxi. You cease to operate the Franchise Business for three (3) consecutive business days in a twelve (12) month period, unless such closure is approved by Us, or it is apparent that You have closed or abandoned the Franchise Business and discontinued operations.

xxii. Your lease agreement for Your Premises is terminated, provided that this provision will not apply if within thirty (30) days of the termination You apply for Our approval to relocate or reconstruct and You diligently pursue such reconstruction or relocation. Our approval will not be unreasonably withheld but may be conditioned upon the payment of an agreed minimum fee to Us during the period Your Franchise Business is not operating.

In the event of Your death or permanent disability, there is a failure to transfer Your interest in the Franchise Business as set forth in this Agreement.

xxiii. You fail to cure any curable defaults outlined in Section 12.2.1 in the required time period.

xxiv. You again commit the same curable default, as outlined in Section 12.2.1, within a twelve (12) month period regardless of whether such default was cured.

xxv. You breach this Agreement or Manual three (3) or more times within a twelve (12) month period or receive five (5) or more notices to cure any defaults or violations of this Agreement during its term, regardless as to whether such defaults were curable or if cured.

xxvi. You, or Your affiliate, is in default of any other agreement with Us or Our affiliates and fails to cure such default within the required time period, if any.

ARTICLE XIII: TERMINATION AND EXPIRATION

13.1 Obligations and Rights. Termination, expiration, or non-renewal of this Agreement will not affect, modify, or discharge any claims, rights, causes of action, or remedies, which We may have against You, whether under this Agreement or otherwise, for any reason whatsoever, whether such claims or rights arise before or after termination. Upon the termination or expiration of this Agreement for any reason, You shall:

i. Cease to be a franchise owner under this Agreement and cease to operate Your former Franchise Business as a Sweeto Burrito™ franchise. You shall not represent to the public, either directly or indirectly, that Your franchise is or was in any way connected to Sweeto Burrito™ or hold Yourself out as a present or former franchise owner of Sweeto Burrito™ of affiliated with Our System. All rights, privileges, and licenses granted by Us to You shall immediately cease and be null and void and of no further force and effect.

ii. Immediately cancel Your DBA, assumed name, fictitious name, business name, or equivalent registration that uses Our Mark, or a substantially similar derivative of the Mark, by taking all steps necessary to remove Our Mark from being affiliated with You and provide Us with satisfactory evidence of compliance with this obligation within five (5) days of the termination or expiration of this Agreement.

iii. Disassociate Yourself from Our System by immediately and permanently ceasing the use of all signs, displays, advertising materials, and promotional materials.

iv. Immediately terminate all advertising and promotional efforts and any other act that would in any way indicate that You are or were a Sweeto Burrito™ franchisee.

v. Immediately and permanently cease to use, in any manner whatsoever, all of Our materials Including Our System, Marks, Intellectual Property, trade secrets, Confidential Information, propriety information, methods, procedures, processes, software, programs, passwords, electronic access devices, content, and other property or promotional materials that were provided or licensed by Us.

vi. Immediately destroy all stationery, letterhead, forms, labels, and any other items which display the Marks.

vii. Return Our Manual, training materials, marketing materials, and all Confidential Information, Including not limited to any customer lists, equipment, records, files, correspondence, Software Programs or other property owned by Us, and all copies thereof, at Your sole expense, within ten (10) days of the expiration or termination of this Agreement. You may retain a copy of this Agreement for compliance reference.

viii. Change telephone listing, telephone numbers, internet sites, web pages, and any Social Media accounts. At Our option, assign to Us all rights to the telephone numbers and internet pages of the Franchise Business and any related business listings and execute all forms and documents required by Us and any telephone company or website to transfer such numbers and services to Us. You must thereafter use a different telephone number and internet page(s). You hereby appoint Us as Your attorney-in-fact for the above transfers if You fail to disassociate Yourself from Us.

ix. Alter at Your expense the interior and exterior of Your Premises to Our satisfaction so that it is easily distinguished from the appearance of a Sweeto BurritoTM franchise Including removing all trade dress, physical characteristics, color combinations and cease using any materials that are unique to Our System. Until all modifications and alterations are completed, You will maintain a conspicuous sign in form We specify stating that You are no longer associated with Sweeto BurritoTM. You will advise all customers or prospective customers that You are no longer associated with Sweeto BurritoTM. If You fail to make such alterations within thirty (30) days after the termination or expiration of this Agreement, You agree that We or Our designated agents may enter the Premises, including any mobile units, at any time to make such alterations at Your sole risk and expense, without liability for trespass. We shall be entitled to acquire all such signage not removed by You in a timely manner.

x. Under no circumstances use any reproduction, counterfeit, copy, or imitation of the Marks in connection with any other business. Also, You may not use any designation of origin or description or representation which falsely suggests or represents an association or connection with Us constituting unfair competition.

xi. Notify suppliers, utilities, creditors, and others that may be concerned that You are no longer affiliated with Us or Our System and provide Us with these notifications.

xii. Pay all sums due for all products purchased, royalties, marketing contributions, and other charges, fees, or obligations owed to Us, Our affiliates, or Our suppliers within fifteen (15) days of the termination or expiration of this Agreement, including interest and fees thereon. You agree to pay all of Our post-term expenses, Including attorney's fees and costs, to enforce Your post-term obligations.

xiii. Comply with the restrictions against the disclosure of Confidential Information and with the non-competition covenant(s).

xiv. Execute a general release by You and any guarantors.

xv. Pay Us all costs, damages, and expenses, Including reasonable attorney's fees, incurred by Us in enforcing any provision of this Agreement.

xvi. Provide Us evidence of compliance with this Section within thirty (30) calendar days after expiration or termination of this Agreement, unless noted otherwise.

13.2 Termination Agreement. You agree that upon termination or expiration of this Agreement that no payment is due to You from any source of goodwill, intangible assets, or other equity arising from Your Franchise Business. You also agree that any goodwill connected with the franchise or Our System belongs exclusively to Us. No fees, charges, royalties, marketing contributions, or other payments of any kind from You to Us are refundable in whole or in part. You no longer will have any equity or continuing rights to use Our System, Intellectual Property, or the goodwill of the franchise. We will not be liable for any of Your debts or liabilities.

13.3 Damages and Liquidated Damages. Upon termination pursuant to any default by You, You agree to pay Us all actual and consequential damages and any costs and expenses (including reasonable attorneys' fees) incurred by Us as a result of any occurrence listed in Sections 12.2.1 or 12.2.2. You acknowledge and agree that You do not have the right to terminate this Agreement, except as provided in Section 12.1, or as otherwise agreed in writing by the parties, and that any termination of this Agreement by You that is not in accordance with the terms of Section 12.1, or any termination of this Agreement by Us in accordance with Sections 12.2.1 or 12.2.2, may result in lost future revenue and profits to Us, harm to the goodwill associated with the Marks, and increased costs to Us to re-develop or re-franchise the market in which the Franchise Business is located.

Accordingly, in the event that You terminate this Agreement other in accordance with the terms of Section 12.1, or if We terminate this Agreement pursuant to Sections 12.2.1 or 12.2.2, You shall pay to Us within fifteen (15) days of such termination as liquidated damages, the amount of royalty fees that would have been owed from the date of termination through the end of the term of this Agreement. This amount will be calculated based on the average monthly royalty fee incurred (whether or not actually paid by You) for the 12 months immediately preceding the date of termination. Or, if You operated Your franchise for less than 12 months immediately preceding the date of termination, then these liquidated damages will be calculated based on the average monthly royalty fees incurred (whether or not actually paid) during the period you operated the franchise. The parties hereby acknowledge and agree that the actual damages that would be incurred by Franchisor in the event of any breach or early termination of this Agreement by Franchisee would be difficult to calculate and that the liquidated damages provided for in this Agreement are fair and reasonable under the circumstances.

The parties further acknowledge and agree that the damages specified in this Section 13.3 are only intended to compensate Franchisor for the early termination of this Agreement and Our loss of revenue resulted therefrom, but not for any other breach of this Agreement by Franchisee or any other damages incurred by Us, and all remedies applicable thereto remain available to Franchisor.

13.4 Survival of Provisions. All provisions of this Agreement, which imply they will apply following the termination or expiration of this Agreement, will survive and apply following

the termination or expiration of this Agreement, Including Your obligation to pay all monies due, maintain confidentiality, non-competition covenant(s), and other restrictions of this Agreement regarding dispute avoidance.

13.5 Remedies for Unauthorized Continuation. If You continue to conduct Your Franchise Business after the termination or expiration of this Agreement by using any of Our Marks or any aspect of Our System, Confidential Information, or Intellectual Property, Our remedies will include the recovery of the greater of either: (i) all profits earned by You in the unauthorized continuation of Your Franchise Business or of Your business that is similar to Your Franchise Business; or (ii) all royalties, Brand Development Fund Fee, and other amounts that would have been due if this Agreement had not terminated or expired. Furthermore, any remedies available under the non-competition covenant(s) will apply.

ARTICLE XIV: RIGHT TO PURCHASE

14.1 Right to Purchase. Upon the expiration or termination of this Agreement, We will have the option, but not obligation, to purchase Your franchise by providing written notice within sixty (60) days from the date of expiration or termination (known as the “Option Period”). This option will allow Us to purchase all or any part of Your inventory, equipment, furniture, fixtures, signs, accessories, supplies, and any other personal property relating to Your Franchise Business. We may assign this option to purchase to another person or entity of Our choosing. We, or Our assignee, will be entitled to all customary warranties and representations in connection with the purchase, Including but not limited to, representation and warranties as to the ownership, condition of title to assets, liens and encumbrances, validity of contracts and agreements, and liabilities affecting the assets. If You do not receive notice of Our intent to exercise the option within the Option Period then You may presume We have elected to not exercise the option and You shall properly dispose of or destroy any remaining items with the Marks and sell any other items that do not contain the Marks to any person or entity of your choosing

14.2 Purchase Price. If We exercise the option, the purchase price for the assets of Your terminated or expired Franchise Business will be at the then-existing fair market value, less any of Your outstanding liabilities. In the event of a disagreement as to the fair market value, We will select the appraiser and the expenses related to the appraisal will be equally split between You and Us. The purchase price will be paid at the closing of the purchase. We have the right to use Your assets and Your franchise Premises during the Option Period and will pay You fair market value for such use. We have no obligation to pay for goodwill or other intangible assets or costs of Your Franchise Business.

14.2.1 Closing. The purchase price will be paid at closing of the purchase, which will take place not later than ninety (90) days after determination of the purchase price. We and Our affiliates will have the right to set off against and reduce the purchase price by any and all amounts owned by Franchisee to Us and Our affiliates. At the closing, We agree to deliver instruments transferring to Us or Our assignee: (A) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Us or Our assignees), with all sales and other transfer taxes paid by Franchisee; and (B) all licenses and permits of the Franchise Business which may be assigned or transferred. In the

event Franchisee cannot deliver clear title to all of the purchased assets as aforesaid, or in the event there are other unresolved issues, the closing of the sale will be accomplished through an escrow.

14.3 Lease. We have the right to assume the lease of Your Franchise Business within the Option Period so that We may continue to operate the franchise as discussed in Sections 5.3.1 and 5.3.2. If We elect to assume the lease, We will exercise Our option within forty-five (45) days of the termination or expiration of this Agreement. You hereby appoint Us as Your true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete the assignment of Your interest in any such lease or sublease upon the exercise of Our option. This power of attorney will survive the expiration or termination of this Agreement. If We do not elect to exercise Our option to acquire the lease or sublease of the Premises, You must make such modification or alterations to the Premises as are necessary to distinguish the appearance of the Premises from that of other Sweeto Burrito™ franchises, and, if You fail or refuse to do so, We will have the right to enter the Premises, without being guilty of trespass or any other crime or tort, to make or cause such changes to be made, at Your expense.

ARTICLE XV: TRANSFER OR ASSIGNMENT

15.1 Our Right. This Agreement and all rights and duties hereunder are fully and freely assignable or transferable by Us, in whole or in part, without Your consent, in Our sole discretion, to any person or entity and shall be binding upon and inure to the benefit of Our successor's and assigns. We may be sold, or We may sell any part of Our Intellectual Property or other assets to another entity. We may also go public and engage in public or private offerings of securities or We may merge with any entity, be acquired by any entity, or acquire any entity. We may undertake any refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring or transaction. You agree to waive all claims, demands, and damages with respect to any transaction under this Section. You agree to fully cooperate with any merger, acquisition, conversion, sale, financing, or similar transaction under this Article.

15.2 Your Right. You understand and acknowledge that the rights and duties under this Agreement are personal to You and that We have granted You this franchise based on many factors Including Your character, skill, business, and financial capability. Therefore, You shall not, without Our prior written consent, directly or indirectly, by operation of law or otherwise, sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any interest in: (i) this Agreement or any portion or aspect thereof; (2) the Franchise Business; (3) any Sweeto Burrito mobile units or kitchen; or (4) any equity or voting interest granted to You, or permit the Franchise Business to be operated, managed, directed, or controlled, directly or indirectly, by any person other than You (any such act or event referred to as a "Transfer") without Our prior written approval. You agree to provide Us with any information We may require in determining whether to accept any transfer or assignment Any purported Transfer, occurring by operation of law or otherwise, Including any Transfer by a trustee in bankruptcy, without Our prior written consent, shall be null and void and a material default of this Agreement, but the transferor shall remain obligated under this Agreement until release by Us, or until this Agreement is terminated and all post-term obligations outlined in this Agreement are fulfilled. In addition, in the event Franchisee is a corporation, the stock of such corporation shall not be publicly sold or traded on any securities exchange or in the over-the-counter market without Our prior written consent, which consent may be given or denied in Our sole discretion. Any purported Transfer made in violation to this Section

15.2 shall be null and void.

15.3 Requirements. We must give Our written consent to any proposed Transfer or assignment by You. Our consent will not be unreasonably withheld if You, the Transfer, and the prospective transferee meet Our criteria for approval outlined in Section 15.6.

15.4 Fee. If the transfer or assignment is approved by Us, You agree to pay Our then-current transfer fee (“Transfer Fee”). As of now, Our Transfer Fee is Five Thousand Dollars (\$5,000) but is subject to change at Our sole discretion, therefore, You will need to consult Our then-current franchise agreement to determine Our most current Transfer Fee. The Transfer Fee is non-refundable and is due at the time the transfer is approved.

15.5 Prohibited Transfers. Any transfer or assignment by You without Our prior written consent is not permitted and is not binding on Us. Such prohibited transfers or assignments will be null and void and grounds for terminating this Agreement at Our discretion.

15.6 Conditions for Approval. The following are conditions that must be satisfied before We approve of any transfer or assignment:

i. You are in full compliance with this Agreement Including all Your accounts with Us or Our suppliers are fully satisfied and You have submitted all required reports, financial statements, and other documents to Us;

ii. You provide timely notice to Us of the proposed transfer and request that We provide the prospective transferee with Our current form of disclosure documents required by applicable laws, and a receipt for such document shall be delivered to Us; provided, however, that We shall not be liable for any representations other than those contained in such disclosure document;

iii. Transferee and its direct and indirect owners must be persons of good character and reputation and meet Our then-current qualifications Including having no conflicts of interest, a good credit score, sufficient and competent business experience, appropriate ability, and adequate financial resources to operate the Franchise Business;

iv. Transferee agrees to and signs Our then-current Franchise Agreement which will supersede this Agreement in all respects and its terms may differ from the terms of this Agreement Including higher fees. If the transferee is a corporation, partnership, limited liability company, or other entity, those of transferee’s principals who are designated as principals must also execute such agreement and guarantee the performance thereof;

v. You have paid all royalties, Brand Development Fund Fee, amounts owed for purchases from Us and any affiliates, and all other amounts owed to Us, affiliates, or third-party creditors, and have submitted to Us all required reports, financial statements, tax returns, and other documents requested by Us;

vi. Transferee pays to Us the then-current Transfer Fee and transfer expenses incurred by Us. Payment of the Transfer Fee shall relieve the transferee of the obligation to pay the initial franchise fee but does not relieve the transferee of its obligation to make any other payments described herein;

vii. Transferee, its operating principal, general manager, and any other personnel required by Us shall, at transferee's expense, complete any training programs then required for new franchisees to Our satisfaction at Our then-current rate for training new managers plus costs of expenses upon such terms and conditions as We may reasonably require.

viii. Transferee agrees to makes any changes to the Franchise Business and Premises Including renovations, modernizations, or other upgrades to meet Our then-current System, image, and standard requirements for new franchisees at its sole expense and within a reasonable time frame required by Us;

ix. Transferee enters into a written agreement, in a form satisfactory to Us, assuming full, unconditional, joint and several, liability for, and agreeing to perform from the date of the transfer, all obligations, covenants, and agreements of Franchisee under this Agreement. If the transferee is a corporation, partnership, limited liability company, or other entity, those of transferee's principals who are designated as principals, also must execute such agreement and guarantee the performance thereof.

x. You execute a general release, in a form satisfactory to Us, which releases Us from any claims You may have against Us or Our affiliates, officers, directors, shareholders, partners, members, agents, representatives, independent contractors, servants, and employees, past and present, in their corporate and individual capacities Including claims arising under this Agreement and any other agreement with Us or Our affiliates, and under federal, state, or local laws, rules, regulations, and orders;

xi. We have approved the material terms and conditions of such Transfer and have determined that the price and terms of payment will not affect adversely the transferee's operation of the Franchise Business;

xii. You agree to remain liable for all of Your obligations to Us under this Agreement incurred prior to the effective date of the transfer and must execute any and all instruments requested by Us to evidence such liability. If You finances any part of the sale price of the transferred interest, then You agree that all obligations of the transferee under or pursuant to any promissory notes, agreements or security interest reserved by You in the assets of the Franchise Business are subordinate to the transferee's obligations to pay royalties, Brand Development Fund Fee, and other amounts due to Us and Our affiliates and otherwise to comply with this Agreement;

xiii. If the transfer relates to the grant of a security interest in any of Your assets, We may require the secured party to agree that, in the event of any default by You under any documents related to the security interest, We will have the right and option, but not obligation, to be substituted as obligor to the secured party and to cure any of Your defaults.

xiv. You and each of Your transferring owners (and their respective spouses and any children who have been employed by, or in any way participated in the operation of the Franchise Business), have executed a non-competition covenant in favor of Us and the transferee agreeing that , for a period of 2 years commencing on the effective date of the Transfer, they will not (except with respect to the Franchise Business owned and operated by Franchisee) hold any direct or indirect interest (through a spouse or child of Franchisee or any owner or otherwise) as a disclosed or beneficial owner, investor, partner, director, officer, manager, employee, consultant, representative or agent, or in any other capacity, in any business that offers products or services that are essentially the same as, or substantially similar to, the products and services offered by Sweeto Burrito™, Including burritos, wraps, bowls, salads, and similar food services and products, and is, or is intended to be, located: (1) in the Territory; (2) in the location of any of Our other franchises; (3) within a 30-mile radius of the Territory or the location of any of Our other franchisees; Or (4) within a 30-mile radius of any of Our company or affiliate owned operations.

The restrictions of this Paragraph are not applicable to the ownership of shares of a class of securities listed on the stock exchange or traded on the over-the-counter market that represents two percent (2%) or less of the issues and outstanding securities of that class of securities. Franchisee and its owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting such skills, so that enforcement of the covenants made in this Section 15.6(xvi) will not deprive them of their personal goodwill or ability to earn a living;

xv. You and each of Your transferring owners have agreed that each will directly or indirectly at any time or in any manner (except with respect to other Sweeto Burrito™ operations owned and operated by You) identify Yourself or any business as a current or former Sweeto Burrito™ franchise, or as a franchisee, licensee, or dealer of Sweeto Burrito™ or any of its affiliates, use any Mark, any colorable imitation thereof or other indicia of a Sweeto Burrito™ franchise in any manner or for any purpose, or utilize for any purpose any trade name, trademark, or other commercial symbol that suggests or indicates a connection or association with Sweeto Burrito™ or any of its affiliates;

xvi. You shall submit to Us prior to any proposed Transfer of any equity or voting interest in Franchisee, and at any other time upon request, a list of all holders of direct and indirect equity and voting interests in Franchisee reflecting their respective present and/or proposed direct or indirect interests in Franchisee, in such form as We may require; and

xvii. You agree that the indemnity, confidentiality obligations, dispute resolutions, and any other portion of this Agreement that is intended to survive the termination or expiration of this Agreement will survive after such transfer.

15.7 Non-Controlling Interest. If any person holding a non-controlling interest in Franchisee (other than one that signed the Principals Guaranty, attached hereto as Exhibit “A-2”) proposes to transfer such interest, then You must promptly notify Us of such proposed transfer in writing and provide such information relative thereto as We may reasonably request prior to the transfer. The transferee must not be one of Our competitors and may be required to execute a

confidentiality agreement and non-competition agreement(s) in the form then required by Us. We reserve the right to require such transferee to sign the Principal Guaranty.

15.8 Right of First Refusal. If You decide to Transfer Your interests under this Agreement, Your Franchise Business, or an ownership interest in Your Franchise Business, You agree to grant Us the right of first refusal. You shall provide Us with a bona fide written offer and earnest money deposit which is not less than five percent (5%) of the offered price, from a fully disclosed offeror (such disclosure of the offeror must include lists of the owners of record and beneficially of any corporate or limited liability company offeror and of all general and limited partners or members of any partnership offeror and, in the case of a publicly-held entity, copies of its most recent annual and quarterly reports and Form 10K). The offer must include the terms and conditions of the transfer Including assets proposed, the purchase price, any financing terms being extended by You, the date of the proposed transfer, and any other pertinent provisions of the proposed transfer. The offer must apply only to an interest in this Agreement and the Franchise Business, or in Franchisee, and may not include an offer to purchase any other property or rights of Franchisee. However, if the offeror proposes to buy any other property or rights from Franchisee under a separate, contemporaneous offer, such separate, contemporaneous offer must be disclosed to Us, and the price and terms of the purchase offered to Franchisee, or its owners, for interest in this Agreement and the Franchise Business, or in Franchisee, must reflect a bona fide price offered therefor and must not reflect any value for any other property or rights.

i. We will have the right, but not obligations, to purchase such interest for the same price and with the same terms and conditions contained in the offer by sending You written notice of Our decision within thirty (30) days of receipt of the offer. We may substitute cash for any form of payment proposed in the offer. Our credit will be deemed equal to the credit of any proposed purchaser. You agree that We are entitled to receive all customary representations and warranties given by the seller of assets of a business, capital stock, or ownership interest in an entity, Including representations and warranties as to: ownership, condition of and title to stock or other form of ownership interest and assets; liens and encumbrances relating to the stock or other forms of ownership interest and assets; and the validity of contracts and liabilities. We will have not less than ninety (90) days after notice of Our election to purchase, to prepare for closing. Each party must bear its own legal and other costs associated with the transaction contemplated in this Section. Failure to comply with this Section will constitute a material default under this Agreement.

15.9 Non-Election or Change of Terms. If We do not exercise Our right of first refusal, You may complete the sale to the third party purchaser pursuant to the exact terms of the offer, subject to Our prior written approval as set forth above in this Article. If the sale is not completed within one hundred twenty (120) days after delivery of such offer to Us, or if there is a material change in terms of the sale, We will have an additional right of first refusal for a thirty (30) day period following either the expiration of the one hundred twenty (120) day period or the material change in terms of sale, either on the terms originally offered to Us or the modified terms, at Our option. Our failure to exercise the option will not constitute a waiver of any other provision of this Agreement.

15.10 Death or Incapacity. We must be promptly notified of any death or claim of permanent disability of Franchisee, its principal, or any person who has managerial responsibility for the operation of the Franchise Business. Upon the death or mental or physical incapacity, as reasonably determined by an independent third party such as a doctor, for a period of sixty (60) or more consecutive days, of You or any person who has managerial responsibility for the operation of the Franchise Business, the executor, administrator, or personal representative of such person shall transfer his or her interests under this Agreement to a third party approved by Us within six (6) months after the death or finding of incapacity, with the transfer being subject to the same conditions as any other transfer. If the heirs or beneficiaries are unable to meet the transfer conditions set forth in this Article, We may terminate this Agreement. We have the right, but not obligation, to step in and manage Your Franchise Business for a fee for such services plus Our costs of travel, food, and lodging.

15.11 No Waiver. Our consent to the Transfer of any interest hereunder will not constitute a waiver of any claims which We may have against the transferring party, nor will it be deemed a waiver of Our right to demand exact compliance with any of the terms of this Agreement by the transferee.

ARTICLE XVI: NON-COMPETITION COVENANT

16.1 Non-Competition Covenant. You agree that during the term of this Agreement, and for a period of two (2) years after the termination or expiration of this Agreement, You and Your principals, officers, directors, holders, members, general partners, any limited partners, and their respective spouses, children, and immediate family members covenant and agree, pursuant to this Agreement, that they will not, directly or indirectly, own, operate, invest, lease, franchise, conduct, consult, engage, connect, assist, have any interest in, or provide loans to any person or entity engaged in or as an owner, investor, manager, employee, consultant, partner, officer, director, shareholder, participant, representative, agent, or any other capacity, or share the earnings or profits of any person, firm, entity, partnership, corporation engaged in any business offering products or services the same or substantially similar to the Franchise Business or Our System, Including burritos, wraps, salads, bowls, and similar food services or products, that is located within a thirty (30) mile radius of Your Franchise Business or any of Our franchises, companies, or affiliate owned operations, whether then in existence or under construction, unless with Our prior written consent. In the event that You violate this Article XVI and compete during the non-competition period, the non-competition period will be extended by the amount of time You competed plus an additional six (6) months thereafter. This Section 16.1 will survive the expiration, termination, or transfer of this Agreement.

16.1.1 Employee Non-Disclosure and Non-Competition. A Principal Confidentiality & Non-Competition Agreement, Exhibit “A-4, hereby incorporated hereto, must be completed by all of Your owners, principals, members, directors, officers, managers, shareholders, and other employee that has management responsibilities, and returned to Us within one (1) week of being signed. We shall be a third-party beneficiary of such agreements and You will not amend, modify, or terminate any such agreement without Our prior written consent. The restrictions of this Section 16.1 are not applicable to owners of shares that represent two percent (2%) or less of the issued or outstanding securities of that class of security.

16.1.2 Tolling. The running of any time specified in Article XVI shall be tolled and suspended for any period of time in which You are found by a court of competent jurisdiction to have been in violation of any restrictive covenant. You further expressly agree that the existence of any claim You may have against Us whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Us of the covenants in this Article XVI.

16.2 Confidentiality. You acknowledge and agree that all information relating to the System and all other Confidential Information is considered to be proprietary and trade secrets of Franchisor and is disclosed to You solely on the condition that You agree to the terms of this Agreement. You also agree that We are the sole exclusive owners of Our System and Our Confidential Information and You further agree to never contest that We are the exclusive owners of Our System and Our Confidential Information and You agree and understand that You will never acquire any interest or other rights to Our Confidential Information, other than the right to utilize the Confidential Information in the operation the Franchise Business during the term of and in accordance with the terms and conditions of this Agreement. The parties hereto stipulate that as between them, Franchisor's Confidential Information is important, material, and gravely affects Our goodwill Including the effective and successful conduct of the business of Franchisor. You agree that all Confidential Information is to be held in the strictest of confidence during and after the term of this Agreement and is not to be divulged to anyone, directly or indirectly, at any time, except to Franchisee's employees or others who need to know the information to operate the Franchise Business. You agree that You, or any of those whom You have control, will never make any unauthorized disclosures of Our Confidential Information. You acknowledge that We disclose Our Confidential Information to You for guidance and assistance with Your Franchise Business and that You are not to ever use this information in the operation of any other specialty burrito, wrap, salad, or similar food related restaurant or other business and to maintain absolute confidentiality of the Confidential Information during and after the term of this Agreement. You, or any of those whom You have control, except as We may grant permission in writing, will not, at any time, make any unauthorized copies, duplicates, records, reproductions, and will not download, print, transmit via facsimile, email, text, or any other means reproduce or copy all or parts of the Confidential Information that We provide to You. You agree to implement reasonable procedures, and adopt all of Our confidentiality procedures, to prevent unauthorized use or disclosure of Confidential Information. You acknowledge and agree that that the use, disclosure, or duplication of any Confidential Information in any other business or capacity would constitute an unfair method of competition and irreparable injury to Us. This Section 16.2 will survive the expiration, termination, or transfer of this Agreement or any interest herein and will perpetually be binding upon You.

16.2.1 Exclusions from Confidential Information. Notwithstanding anything to the contrary contained in this Agreement, the restrictions on Franchisee's disclosure and use of Confidential Information will not apply to information, processes or techniques which are or become widely known to the public other than through disclosure (whether deliberate or inadvertent) by Franchisee or an employee or agent of Franchisee.

16.2.2 Judicial Order. In the event that You are legally compelled to disclose Confidential Information in a judicial or governmental proceeding; You must first promptly

provide Us with notice of such requirement and afford Us the opportunity, including cooperating with Us, to obtain an appropriate protective order or other assurance satisfactory to Us.

16.2.3 Burden of Proof. You agree that if You engage as an owner, operator, or in any managerial capacity in any business that offers products or services that are essentially the same as, or substantially similar to, the products and services offered by Sweeto Burrito™, including burritos, wraps, bowls, salads, and similar food services and products, You will assume the burden of proving that You has not used Confidential Information. The protection granted hereunder shall be in addition to and not in lieu of all other protections for Confidential Information as may otherwise be afforded in law or in equity.

16.2.4 No Obligation to Disclose. You acknowledge and agree that We have no obligation to disclose or provide any information to You that We deem proprietary or confidential regarding the Products.

16.3 Covenant Reasonableness. You agree that the covenants in this Article contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor and other franchisees. You acknowledge that if You violate any part of this Article it is likely to cause Us substantial and irreparable harm.

16.4 Modifications to Ensure Survival. Each such covenant will be construed as independent of any other covenant or provision of this Agreement. You agree that each covenant is reasonable. However, if any court finds any covenant or any portion of any covenant to be unreasonable, the court may reduce the scope and/or duration of the covenant to the extent necessary to render it enforceable while still providing the greatest restriction allowable.

16.5 Remedies. As the damages arising out of any such breach of this Section would be difficult to ascertain, You agree that, in addition to all other remedies provided by law or in equity, We, in the event of a breach or threatened breach of the covenants herein contained, shall be entitled to seek immediate equitable remedies, without proof of actual damages that may be caused by such breach and without the requirement of posting bond, including, but not limited to, restraining orders, preliminary and permanent injunctions in order to prevent Your, or Your partners, members, officers, directors, trustees, or employees from continuing to breach the covenants contained herein. Additionally, You agree that the following remedies will also apply.

16.5.1 Profits for Non-Competition Violations. If You violate the non-competition covenants in this Agreement, Including any of its Exhibits, by entering into or engaging with a competing business, You agree to pay Us one hundred percent (100%) of the amount of revenue generated by Your competing business in addition to liquidated damages (discussed in Section 16.5.2 below)

16.5.2 Liquidated Damages for Non-Competition Violations. If You violate the non-competition covenants in this Agreement, Including any of its Exhibits, by entering into or engaging with a competing business, You agree that We will be entitled to liquidated damages in the amount of One Hundred Fifty Thousand Dollars (\$150,000) per year of operation for each

competing business until the end of Your franchise-term, plus a one (1) year post-termination non-compete term, and You shall also pay Our then-current royalty rate for all gross sales from the competing business.

16.5.3 Alternate Remedies. If this Article XVI is unenforceable, for whatever reason, after the expiration or termination of this Agreement and the remedies ordered are unacceptable to Us, You will be required to pay One Hundred Fifty Thousand Dollars (\$150,000) per competing store, and for one (1) year after the expiration or termination of this Agreement, You agree to pay one-half (1/2) of the royalties and Brand Development Fund Fee, as a fee to Us, which would be payable if the business were a franchise.

16.6 Costs. You agreed to pay all costs and expenses Including reasonable attorneys' fees, and interest on such fees, costs, and expenses, incurred by Us in connection with the enforcement of this Article XVI. If You violate any restriction contained in this Article XVI, and it is necessary for Us to seek equitable relief, the restrictions contained herein shall remain in effect until one (1) year after such relief is granted. If You contest the enforcement of Article XVI and the enforcement is delayed pending litigation, and if We prevail, the period of non-competition shall be extended for an additional period equal to the period of time that enforcement of this Article XVI is delayed.

16.7 Survival. The provisions of this Article XVI will survive the termination, expiration, or transfer of this Agreement or any interest herein.

ARTICLE XVII: NOTICES

17.1 Notices. Any notice required to be given under this Agreement must be in writing and delivered, to such address as listed below, by either certified mail, return receipt requested; personal delivery; recognized courier service; or email when confirmed by receipt verification.

FRANCHISOR:

LEON COMMERCE CO., LLC
930 Chambers Street
Suite 7
Ogden, UT 84403
Email:miguel@sweetoburrito.com

(or Our then-current headquarters)

FRANCHISEE:

[Address]

Email:_____

17.2 Delivery. Any notice delivered by mail as specified herein will be deemed received three (3) days after mailing. If You refuse or fail to accept any certified or overnight delivery, acceptance will be deemed to have occurred forty-eight (48) hours after rejection or failure to accept such notice.

17.3 Listed Addresses. The address specified above for service of notices may be changed at any time by the party making the change by providing written notice to the other party by certified mail or as otherwise agreed by the parties.

ARTICLE XVIII: JURISDICTION

18.1 Governing Law. This Agreement shall be governed by and interpreted and construed under the laws of the State of Utah, without reference to conflict of law provisions.

18.2 Jurisdiction. You consent to the jurisdiction of the State of Utah in all lawsuits, arbitrations, or mediations relating to or arising out of this Agreement and hereby waive any defense You may have regarding lack of jurisdiction or venue for Disputes arising out of this Agreement. This consent to jurisdiction is crucial so that franchise issues will be determined in a consistent manner for application throughout Our System.

18.3 Exception. Notwithstanding the foregoing, the United States Trademark Act (Lanham Act, U.S.C. § 1051 Et. Seq.) will apply to this Agreement and the relationship of the parties and preempt any state law to the contrary.

ARTICLE XIX: DISPUTES

19.1 Quick Resolution. As We and You understand, there is always a possibility of difference of opinion or other disagreements in business relationships. We and You agree that it is important to resolve any disputes amicably, quickly, inexpensively, and professionally so that We and You can return to business as soon as possible. We and You have agreed that the provisions of this Article XIX support these mutual objectives and, therefore, agree to the following.

19.2 Dispute Resolution. We and You agree that any dispute, controversy, issue, claim, or action whatsoever (“Dispute”) between You, Us, affiliates, shareholders, members, managers, officers, directors, agents, employees, and attorneys arising out of or relating to this Agreement, or any other agreement between You and Us, the Franchise Business, or any of Sweeto Burrito™ operations, except those outlined under Section 19.5, will be exclusively processed in the following manner:

19.2.1 Face-to-Face Meeting. The dispute shall first be discussed in a face-to-face meeting between You and Us in Salt Lake City, Utah or at Our then-current headquarters. This face-to-face meeting will be held within thirty (30) days of You or We providing written notice to the other requesting such meeting. We have the right, in Our sole discretion, to waive this requirement.

19.2.2 Mediation. If the face-to-face meeting has not resolved the matter successfully, either You or We may submit the matter to non-binding mediation before the Franchise Arbitration and Mediation Services (“FAM”) or as otherwise agreed. You and We will split the costs and each will bear their own expenses of any mediation. The mediation will be conducted exclusively in Salt Lake City, Utah. The mediator will be disqualified as a witness, consultant, expert, or counsel for either party for the matter in dispute and any related matters. If You and We agree to not participate in mediation, then the matter may proceed to litigation as provided below.

19.2.3 Legal Proceeding. If the mediation has not resolved the matter successfully, or mediation is waived, either You or We may institute a legal suit, action, or proceeding, exclusively in Salt Lake City, Utah, against the other party to enforce this Agreement or obtain any other remedy regarding any breach of this Agreement. The prevailing party in the suit, action, or proceeding is entitled to receive, and the non-prevailing party shall pay, in addition to all other remedies to which the prevailing party may be entitled, the costs and expenses incurred by the prevailing party in conducting the suit, action, or proceeding, including attorneys’ fees and expenses and court costs, even if not recoverable by law, Including all fees, taxes, costs, and expenses incident to appellate and post-judgment proceedings.

19.3 Contractual Statute of Limitations. You and We agree that any action in relation to this Agreement or the parties’ relationship, except for such claims under Section 19.5, shall be commenced within one (1) year of the alleged breach or event giving rise to the Dispute, without regard to the date any alleged Dispute was discovered. Any action not brought within the one (1) year time period shall be barred. The parties expressly waive any right to claim enforcement of or reliance upon any discovery rule or tolling or similar legal doctrine or statute to avoid enforcement of this waiver.

19.4 Waiver of Certain Damages and Jury Trial. Each party waives, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential or other similar damages, Including loss of profits, against the other and agrees that, in the event of a dispute between them, the party making a claim will be limited to equitable relief and to the recovery of actual damages sustained, without limiting Your obligation to indemnify Us pursuant to this Agreement. Each party irrevocably waives any right to a jury trial for Disputes arising or related to this Agreement to the fullest extent permitted by law and hereby stipulate that any such trial will occur without a jury.

19.5 Exceptions to Mediation. You agree that nothing in this Agreement requires Us to mediate Disputes related to any of the following: (1) the validity of Marks, trademarks, service marks, or other Intellectual Property; (2) rights to obtain a writ of attachment or other prejudgment

remedies; or (3) Disputes solely for fees and other funds owed by one party to the other under this Agreement.

19.6 Dispute Fees. The parties to the Dispute will share the expenses equally and pay for their own fees, except for appeal fees shall be paid by the party requesting the appeal. The prevailing party in any litigation or mediation, Including appeals, will be awarded attorney's fees and costs.

19.7 Liquidated Damages. You and We recognize the difficulty of calculating damages caused by lost future royalties, but nevertheless, recognize and agree that such damages could arise, and You and We hereby agree to the following formula as a compromise on the calculation of such damages. If this Agreement is terminated, other than for non-renewal or mutual termination, in addition to other remedies available under this Agreement, We will be entitled to liquidated damages, not as a penalty, but solely to compensate Us for lost future royalties. These liquidated damages will be equal to the average royalty payment from the previous twelve (12) months multiplied by the lesser of thirty-six (36) months or the remaining term of this Agreement. You and We agree that such amount will be reduced to the present value of such payments as of the date of termination utilizing an interest rate of five percent (5%). Such liquidated damages only cover Our damages for lost royalties and do not cover any other damages under this Agreement, at law, and in equity and are not a waiver of any other right. You agree that these liquidated damages do not give Us an adequate remedy at law for any other default under any provision of this Agreement other than lost royalties.

19.8 Fees for Non-Compliance; Payment of Our Costs in Securing Compliance. In addition to any other remedy We may have under this Agreement and under law, in the event You fail to comply promptly with any of Your post-termination obligations: (a) You agree to pay Us Five Hundred Dollars (\$500) per day for each day that You are in default ("Daily Post-Termination Non-Compliance Fee"), as a reasonable estimate of the damages suffered by Us; and (b) to prevent further injury, We may hire a third-party or use Our own personnel to de-identify Your Franchise Business Premises and/or to carry out any other post-termination obligations on Your behalf, for which costs You will be responsible. These costs will Include any attorneys' fees and costs incurred and associated with enforcing Your post-termination obligations. We have the right to automatically debit by EFT or other electronic withdrawal means, Your bank account for these payments. This Daily Post-Termination Non-Compliance Fee obligation will not affect Our right to obtain appropriate injunctive relief and other remedies under this Agreement Including to enforce this Article, Our trademark rights, or the non-competition covenants.

19.9 Additional Non-Compliance Costs. In addition to the Daily Post-Termination Non-Compliance Fee, You agree to pay Us: (a) the amount of expenses reasonably incurred by Us to perform any obligation that You failed to perform, calculated on hourly rates of Our personnel, and time, travel, lodging, food, and other expenses where applicable; and (b) all damages, costs, and expenses, Including attorneys' fees and costs incurred by Us in obtaining injunctive or other relief. Upon Your termination, We have the right to transfer from Your account by EFT or other electronic withdrawal means, a payment of Ten Thousand Dollars (\$10,000) in respect and anticipation of the Daily Post-Termination Non-Compliance Fee and expenses. Upon completion of the de-identification of the Premises to Our reasonable satisfaction and payment of the expenses

provided in this Section, We will refund to You any unused remaining portion of the Ten Thousand Dollars (\$10,000). If the Ten Thousand Dollars (\$10,000) is insufficient to satisfy Your monetary obligations to Us, You will pay the balance owed to Us within thirty (30) days of Your receipt of Our invoice.

ARTICLE XX: INDEMNIFICATION

20.1 Indemnification. You agree to protect, defend, indemnify, and hold harmless LEON COMMERCE CO., LLC, and Our affiliates, including principals, directors, officers, employees, agents, members, attorneys, accountants, shareholders, interest holders, successors, spouses, assigns, and any directly or indirectly controlling entity (“Indemnitees”) against, and to reimburse any one or more of the Indemnitees for, any and all claims, losses, liabilities, acts, damages, costs, and expenses, including attorneys’ fees in any way related to, directly or indirectly arising out of or in conjunction with the operation of the Franchise Business, Your employer/employee relationships, and/or Your breach of this Agreement, without limitation and without regard to the cause(s) thereof or the negligence or strict liability of Us or any other party in connection therewith, including the Indemnitees. Notwithstanding the foregoing, this indemnity will not apply to any liability arising from Our gross negligence or willful misconduct, except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to Franchisee, Franchisee’s owners, principals, officers, directors, employees, independent contractors, shareholders, interest holders, affiliates, spouses, and any directly or indirectly controlling entity. For purposes of this indemnification, “claims” shall include all obligations, actual, consequential, exemplary, or other damages, and costs reasonably incurred in the defense of any claim against any of the Indemnitees, including accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, other expenses of litigation, arbitration, or alternative dispute resolution and travel and living expenses. We have the right to defend any such claim of Franchisee. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration, termination, or transfer of this Agreement or any interest herein.

20.2 Defense of Claim. You and each of Your principals, officers, directors, partners, shareholders, interest holders, affiliates, spouses, and any directly or indirectly controlling entity agree to provide Us with immediate notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At Your risk and expense, We may elect to assume, but are not obligated to undertake, or associate counsel of Our own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry, or investigation. If We elect, such option will not in any manner or form diminish the Your obligation to indemnify the Indemnitees and hold them harmless.

20.3 Remedial Action. In order to protect persons or property, or Our reputation or goodwill, or the reputation or goodwill of others, We may, at any time and without notice, as We, in Our judgment deem appropriate, consent or agree to settlements or take such other remedial or corrective action as We deem expedient with respect to the action, suit, proceeding, claim, demand, inquiry, or investigation if, in Our sole judgment, there are reasonable grounds to believe that any claim described in this Article XX has occurred or any such claim may result directly or indirectly in damage, injury, or harm to any person or property.

20.4 Contributory Negligence. The Indemnitees do not assume any liability for acts, errors, or omissions of those with whom You or Your principals, officers, directors, partners, shareholders, interest holders, affiliates, spouses, and any directly or indirectly controlling entity may contract, regardless of the purpose. You and Your principals, officers, directors, partners, shareholders, interest holders, affiliates, spouses, and any directly or indirectly controlling entity will hold harmless and indemnify the Indemnitees as set forth herein without limitation and without regard to the cause(s) of thereof or the negligence (whether such negligence be gross, sole, joint or concurrent, or active or passive) or strict liability of Us or any other party or parties arising in connection therewith, Including the other Indemnitees.

20.5 No Duty to Mitigate; Survival of Obligations. Under no circumstances will We or any other Indemnitee(s) be required to seek recovery from any insurer or other third-party, or otherwise mitigate Our or Your losses and expenses, in order to maintain and fully recover a claim against You. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts We or another Indemnitees may recover from You. You agree the terms of this Article XX will continue in full force and effect notwithstanding the termination, expiration, or transfer of this Agreement or any interest herein.

ARTICLE XXI: MISCELLANEOUS

21.1 Entire Agreement. This Agreement, Exhibits, and Schedules hereto supersede all other agreements, written or oral, that may have been made or entered into by the parties hereto concerning the subject matter hereof. All Exhibits and Schedules are made a part of this Agreement by reference. This Agreement is intended to state the entire understanding of the parties regarding the subject matter herein. Nothing expressed or implied in this Agreement is intended or shall be construed so as to grant or confer on any person, firm, or corporation other than the parties hereto, any rights or privileges hereunder.

21.2 Headings. The table of contents, headings, and captions appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or extent of such paragraph or in any way affect such paragraph.

21.3 Contents. Words and terms in any gender will be deemed to include the other genders. The singular will be deemed to include the plural and vice versa. The parties agree that each section of this Agreement shall be construed independently of any other section or provision of this Agreement.

21.4 No Third-Party Benefits. You and We agree not to intend to confer benefits or rights on any person or entity not a party to this Agreement and no third parties shall have any rights, claims, or benefits under this Agreement.

21.5 Joint and Several Liability. If two or more persons or entities sign this Agreement the liability of each will be joint and several. All members that are part of the franchise are jointly and severally liable for Your performance under this contract.

21.6 Costs and Attorneys' Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to reasonable attorneys' fees and other costs reasonably incurred in such action or proceeding.

21.7 Severability. Except as expressly provided to the contrary herein, each portion, section, part, and provision of this Agreement will be considered severable. In the event that any portion, section, part, and provision of this Agreement shall be unenforceable or invalid under any applicable law or be so held by applicable court decision, such enforceable or invalidity shall not render this Agreement unenforceable or invalid as a whole, and, in such event, such portion, section, part, or provision shall be changed and interpreted so as to best accomplish its objectives within the limits of applicable law or applicable court decisions.

21.8 Waiver. No failure, refusal, or neglect by Us to exercise any right, power, remedy, or option reserved to Us under this Agreement, or to insist upon strict compliance by You with any obligation, condition, specification, standard, or operating procedure in this Agreement, shall constitute a waiver of any provision of this Agreement and Our right to demand exact compliance with this Agreement, or to declare any subsequent breach or default or nullify the effectiveness of any provision of this Agreement. Subsequent acceptance by Us of any payment(s) due to Us under this Agreement shall not be deemed to be a waiver by Us of any preceding breach by You of any terms, covenants, or conditions of this Agreement.

21.9 Consent. Whenever this Agreement requires Our prior approval or consent, You must make a timely written request to Us, and such approval or consent must be obtained in writing. No waiver, approval, consent, advice, or suggestion given to You, and no neglect, delay, or denial of any request therefor, will constitute a warranty or guaranty by Us, nor do We assume any liability or obligation to You or any third-party as a result thereof.

21.10 Survival. Any obligation of Yours that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of You therein, will be deemed to survive such termination, expiration, or transfer.

21.11 Amendment. This Agreement may be amended only by a written instrument signed by duly authorized representatives of both parties.

21.12 Binding. This Agreement is binding upon the heirs, administrators, personal representative, assigns, and renewals in interest to the parties hereto.

21.13 No Partial Payments. All payments made by You of any amount required to be paid under this Agreement shall be for the full amount due regardless of any endorsements or written communication contained on any such payment.

21.14 No Withholdings. You agreed that You will not offset or withhold payments of any royalties, fees, payments of any other amounts due to Us, Our affiliates, or suppliers on the grounds of alleged non-performance by Us of any covenants or obligations under this Agreement.

21.15 Force Majeure. If either party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, strikes, walkouts, labor troubles, inability to procure materials, restrictive governmental laws, or regulations or other cause without fault and beyond the control of the party obligated, performance of such acts shall be excused for the period of delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Upon the occurrence of an event of Force Majeure, the party affected thereby must give prompt notice thereof to the other party, together with a description of the event, the duration for which the party expects its ability to comply with the provisions of this Agreement to be affected, and a plan for resuming operation under this Agreement, which the party must promptly undertake and maintain with due diligence.

21.16 No Representations. You understand that the success or failure of Your Franchise Business depends primarily upon Your efforts not upon Our efforts. You agree that We have not made, nor have You depended upon, any promise to the success or failure of Your Franchise Business. You agree that You have had the chance to independently investigate the franchise opportunity presented herein, understand the risks that could result in losses, and have not received or relied upon any representations or guarantees outside of Our franchise disclosure document. You understand that no payments are refundable at Your option and We will not repurchase any rights granted by this Agreement. You understand that We make no promises or guarantees that: (1) You will achieve any particular sales, income, or other levels of performance in Your Franchise Business; (2) that the location will be successful; or (3) that You will be awarded additional franchises or other rights except as set forth in a written notice signed by Us. You understand that You will not receive any assistance regarding marketing, development, operation, or otherwise that is not expressly contained in this Agreement. You also understand that You will not have any exclusive rights other than those contained in this Agreement.

21.17 Variance in Offers. You understand and agree to that We may offer franchises, in the past, present, or future, on other terms and conditions that may differ from Your terms and conditions contained in this Agreement and that You have no right to object to such variance in offers or obtain the same variances for Your Franchise Business.

21.18 No Misrepresentations. You vow that You have made no misrepresentations that induced Us to grant You this franchise under this Agreement.

21.19 No Violations. You warrant that You will not be in violation or breach, or cause violations of any agreement, covenant, judgment, court, or any administrative agency between You and a third party by entering into this Agreement.

21.20 Further Assurances. The parties will promptly execute and deliver such further documents and take such further action as may be necessary in order to effectively carry out the intent and purposes of this Agreement.

21.21 Dealings. No course of dealing between You and Us will affect Your rights or Our rights under this Agreement or otherwise.

21.22 Disclosure. You agree that We can disclose information related to Your Franchise Business Including Your name, address, phone numbers, financial information, reports, and any other information in disclosure documents or otherwise in Our discretion.

21.23 FDD Acknowledgment. You agree that You have a copy of the Sweeto Burrito™ Franchise Disclosure Document (“FDD”) for at least 14 days or 10 business days, whichever is required by Your state, prior to signing this Agreement or making any payments to Us and that during this time frame You had the opportunity to have the FDD reviewed by an attorney of Your choice.

21.24 Time is of the Essence. Time is of the essence with respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

21.25 Authority. The person(s) signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

21.26 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto all had signed the same document. All counterparts will be construed together and will constitute one (1) Agreement.

21.27 Effective Date. This Agreement will be effective on the date it is executed by Us.

(Remainder of page intentionally left blank; Signatures to follow)

WE EXPRESSLY DISCLAIM THE MAKING OF, AND YOU ACKNOWLEDGE THAT YOU HAVE NOT RECEIVED ANY ESTIMATES, PROJECTIONS, WARRANTIES OR GUARANTIES, EXPRESSED OR IMPLIED, REGARDING THE POTENTIAL SALES, EARNINGS, PROFITS, BUSINESS OR FINANCIAL SUCCESS, OR THE VALUE OF YOUR FRANCHISE BUSINESS. YOU UNDERSTAND THE RISKS ASSOCIATED WITH THIS FRANCHISE OPPORTUNITY COULD RESULT IN LOSSES.

YOU UNDERSTAND THE SUCCESS OR FAILURE OF YOUR FRANCHISE BUSINESS CANNOT BE RELIABLY PROJECTED AND DEPENDS PRIMARILY UPON YOUR EFFORTS AND NOT UPON OUR EFFORTS. WE MAKE NO REPRESENTATIONS, COVENANT, OR WARRANTIES REGARDING THE SUCCESS OR POTENTIAL SUCCESS OF YOUR FRANCHISE BUSINESS.

YOU AGREE THAT YOU HAVE HAD AN OPPORTUNITY TO HAVE THIS AGREEMENT AND RELATED DOCUMENTS INDEPENDENTLY INVESTIGATED AND REVIEWED BY YOUR OWN ATTORNEY.

IN WITNESS WHEREOF, and by their signatures below, the Franchisor and Franchisee hereto acknowledge that they have read, understand, and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be executed as of the date first above written with full authority for the entity he or she represents.

FRANCHISOR:

LEON COMMERCE Co., LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:

By: _____
(Signature)

Name: _____

Title: _____

If the franchisee is not an entity, each person must sign personally,

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

IF FRANCHISEE IS A CORPORATION OR LIMITED LIABILITY COMPANY, ALL SHAREHOLDERS OR MEMBERS OF THE CORPORATION OR LIMITED LIABILITY COMPANY MUST EXECUTE THIS FRANCHISE AGREEMENT AS PROVIDED BELOW

The undersigned shareholders/members of the Franchisee, hereby execute, guaranty and agree to be bound by the terms and conditions of the Sweeto Burrito™ Franchise Agreement, dated the ____ day of _____, 20____.

By:_____

Signature

Print Name: _____

Ownership: MEMBER/SHAREHOLDER
(circle one)

By:_____

Signature

Print Name: _____

Ownership: MEMBER/SHAREHOLDER
(circle one)

By:_____

Signature

Print Name: _____

Ownership: MEMBER/SHAREHOLDER
(circle one)

By:_____

Signature

Print Name: _____

Ownership: MEMBER/SHAREHOLDER
(circle one)

**THE SIGNATURE OF EACH PERSON SIGNING ABOVE
MUST BE NOTARIZED**

On the ____ day of _____, 20____, personally appeared before me _____,
who duly acknowledged to me that he or she executed the above individually.

NOTARY PUBLIC

On the ____ day of _____, 20____, personally appeared before me _____,
who duly acknowledged to me that he or she executed the above individually.

NOTARY PUBLIC

**EXHIBIT A-1
TO THE FRANCHISE AGREEMENT**

TERRITORY

TERRITORY: _____
(Map may be attached)

The Territory will consist of a _____ mile radius from the following location:

_____ .

APPROVED PREMISES LOCATION:

The franchise Premises is approved for the following location only:

_____ ,

in the city of _____, county of _____, state of _____.

Our approval of the Territory is NOT a guarantee or a warranty of the potential success of the Franchise Business at the territory or site.

*(If You have not already located a site for Your Premises,
see Site Location Agreement located at Exhibit A-9)*

Franchisee Initial and Date

Franchisor Initial and Date

**EXHIBIT A-2
TO THE FRANCHISE AGREEMENT**

PERSONAL GUARANTY AND ASSUMPTION OF OBLIGATIONS

This PERSONAL GUARANTY AND ASSUMPTION OF OBLIGATIONS (“Guaranty”) is entered into and made effective as of the ____ day of _____, 20____ (the “Effective Date”) by and between **LEON COMMERCE CO., LLC**, a Utah limited liability company (“Franchisor”, “Sweeto Burrito™”, “We”, “Us”, or “Our”) and the undersigned Guarantor(s) (“Guarantor(s)”) owner(s) of _____ (“Franchisee”) and spouse(s).

In consideration of, and as an inducement to, the execution by Sweeto Burrito™ (“Franchisor”) of the Franchise Agreement, dated the ____ day of _____, 20____ (“Franchise Agreement”) between Franchisor and Franchisee, each Guarantor(s) signed this Guaranty for other good and valuable consideration, and as an inducement to Us to grant a franchise to Franchisee, each of the undersigned Guarantor(s), for themselves, their heirs, renewals, and assigns, do, individually, jointly and severally, hereby: (1) personally, unconditionally, absolutely, and irrevocably guarantees to Franchisor and its successors and assigns, for the term of the Franchise Agreement and thereafter as provided in the Franchise Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Franchise Agreement, including, but not limited to, initial franchise fees, royalties, Brand Development Fund Fee, equipment, materials, and supplies; and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement. This Guaranty is hereby incorporated in and made part of the Franchise Agreement and shall be annexed thereto. All terms not defined herein shall have the meaning provided in the Franchise Agreement.

Each Guarantor acknowledges and agrees that We have entered into the Franchise Agreement with Franchisee solely on the condition that each Guarantor is personally obligated and jointly and severally liable with Franchisee (and with each other Guarantor) for the performance of each and every obligation, agreement, undertaking, covenant, liability, amendment, modification, extensions, and debt of Franchisee, now existing or hereafter arising. Guarantor(s) must render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses to do so punctually. Each Guarantor’s liability will not be contingent or conditioned upon Our pursuit of any remedies against the Franchisee or any other person.

Each Guarantor’s liability will not be diminished, relieved, or otherwise affected by any subsequent rider or amendment to the Franchise Agreement or by an extension of time, credit, or other indulgences which We may from time to time grant to the Franchisee, or to any other person, including, without limitation, the acceptance of any partial payment or performance of the compromise or release of any claims (including the release of other Guarantor(s)) and no such indulgence will in any way modify or amend this Guaranty. Franchisee’s written acknowledgment, accepted in writing by Us, or the judgment of any court or arbitration panel of competent jurisdiction establishing the amount due from Franchisee will be conclusive and binding on the undersigned as Guarantor(s). This Guaranty will continue and is irrevocable during the term of the Franchise Agreement and, as required by the Franchise Agreement, after its termination or

expiration, and for so long thereafter as there are any monies or obligations owing by Franchisee to Us under the Franchise Agreement.

Each Guarantor waives all of the following: (1) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (2) acceptance and notice of acceptance by Us of Guarantor's obligations under this Guaranty; (3) notice of amendment of the Franchise Agreement; (4) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (5) any right Guarantor(s) may have to require that an action be brought against Us or any other person as a condition of Guarantor(s) liability; (6) all rights to payments and claims for reimbursement or subrogation which Guarantor(s) may have against Us arising as a result of Guarantor(s)' execution of and performance under this Guaranty; (7) any right Guarantor(s) may have to declare bankruptcy or insolvency of Franchisee as a defense hereunder or as the basis for rescission hereof; (8) any defense based on an election of remedies by Franchisor which destroys or otherwise impairs the subrogation rights of Guarantor(s), the right of Guarantor(s) to proceed against Franchisee or another person for reimbursement or both; (9) the right of Guarantor(s) to proceed against or exhaust any security from Franchisee; (10) the right of Guarantor(s) to pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; (11) any statute of limitations benefits or other provisions of law which affects or limits the Guarantor(s)'s liability under this Guaranty; and (12) all other notices and legal or equitable defenses to which Guarantor(s) may be entitled in Guarantor(s)'s capacity as guarantors.

Each Guarantor agrees that any claims, disputes, or controversies of the Guarantor will be governed by Article XVIII (Jurisdiction) and XIX (Disputes) of the Franchise Agreement, herein incorporated by reference. Guarantor agrees that all litigation, arbitration, and/or mediation will take place exclusively in Salt Lake City, Utah and each Guarantor submits to the personal jurisdiction in the state and federal courts of Utah.

Each Guarantor understands that if We must enforce this Guaranty in any judicial or arbitration proceeding, including any appeals, each Guarantor must reimburse Us for Our enforcement costs which include, but are not limited to, accountants' fees, attorneys' fees, arbitrators' fees, arbitration filing fees, expert witness' fees, costs of investigation and proof of facts, court costs, other litigation expenses, travel, and living expenses whether incurred before, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing, or proceeding to this Guaranty.

Each Guarantor understands that a separate action may be brought or prosecuted against any individual Guarantor, at Our sole discretion, whether or not the action is brought or prosecuted against any other Guarantor or Franchisee. Additionally, Guarantor(s) agree that their bankruptcy, insolvency, or other actions provided in the Franchise Agreement may be events of default under the Franchise Agreement.

Guarantor(s) shall hold harmless, defend, protect, and indemnify Us from any and all actions, causes of action, liabilities, damages, losses, fees, costs, expenses (including, without limitation, attorneys' fees, investigation costs, court costs, and arbitration fees) and all other claims which may arise as a result of any dispute, of any nature, between or among Guarantor(s) and any other persons or entities.

Each Guarantor hereby acknowledges and agrees to be individually bound by all covenants contained in the Franchise Agreement and all terms and conditions of the Franchise Agreement requiring Franchisee not to disclose confidential information.

In the event of death of any or all Guarantor(s), the obligations of each Guarantor under this Guaranty shall continue in full force and effect against the deceased Guarantor's estate for all obligations incurred by Franchisee up until the time We receive written notice of Guarantor's death.

No terms or provisions of this Guaranty may be changed, waived, revoked, or amended without Our prior written consent. The use of the singular herein shall include the plural.

If a court of competent jurisdiction finds any provision of this Guaranty to be unenforceable, all of the other provisions shall remain effective.

Each Guarantor agrees that they have had adequate opportunity to have the Franchise Agreement and this Guaranty reviewed by counsel of their choosing and that Guarantor has not relied on Us or any of Our counsel in any respect. Each Guarantor understands the remedies that We may pursue against Guarantor(s) in the event of a default under the Franchise Agreement. Each Guarantor agrees to keep themselves fully informed of Franchisee's financial condition and performance of Franchisee's obligations to Us and that We have no duty to disclose to Guarantor(s) any information pertaining to Franchisee.

This Guaranty may be signed in counterparts including by electronic signature, or scanned and emailed signature which will be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they will be of full force and effect.

(Remainder of page intentionally left blank; Signature(s) to follow)

IN WITNESS WHEREOF, and by the signature(s) below, the Guarantor(s) hereto acknowledge to have read, understand, and agree to all of the terms and provisions of this Guaranty and have caused this Guaranty to be executed as of the Effective Date written below.

“GUARANTOR(S)”

By: _____
(Signature)

By: _____
(Signature)

Name: _____

Name: _____

Title: _____

Title: _____

Spouse's Signature: _____

Spouse's Signature: _____

Spouse's Name: _____

Spouse's Name: _____

On the _____ day of _____, 20____, personally appeared before me _____, who duly acknowledged to me that he or she executed the above guaranty individually.

NOTARY PUBLIC

On the _____ day of _____, 20____, personally appeared before me _____, who duly acknowledged to me that he or she executed the above guaranty individually.

NOTARY PUBLIC

On the _____ day of _____, 20____, personally appeared before me _____, who duly acknowledged to me that he or she executed the above guaranty individually.

NOTARY PUBLIC

On the _____ day of _____, 20____, personally appeared before me _____, who duly acknowledged to me that he or she executed the above guaranty individually.

NOTARY PUBLIC

**EXHIBIT A-3
TO THE FRANCHISE AGREEMENT**

FRANCHISEE REPRESENTATIONS AND WARRANTIES

Franchisee makes the following warranties and representations:

Franchisee is a: *(mark one of the following if applicable)*

_____ Sole Proprietorship

_____ Corporation

_____ Partnership

_____ Limited Liability Company

Entity Name: _____

Entity's State of Formation: _____ Date of Entity's formation: _____

EIN: _____ Principal Contact Person: _____

If Franchisee is a partnership, corporation, or limited liability company, please provide the name and address of each partner, shareholder, or member holding an ownership interest as well as the name and address of any shareholder, partner, or member who will attend training:

Name	Address	Shares & Percentage of Interest*

*Partnership: Percentage owned in voting and in capital and profits.

*Corporation: Percentage owned of outstanding voting stock.

*Limited Liability Company: Percentage owned in membership interest.

List the names of Franchisee's managers and officers:

Name	Title	Manager/Officer

Franchisee's address where records are maintained: _____

_____.

List the name, address, and contact information of the person who has been approved by Franchisor, has authority to make decisions relating to the operations of the franchise, and who will be directly responsible for supervising the franchise.

Name: _____

Address: _____

Telephone Number: _____

Email: _____

You agree to provide Franchisor with a copy of Franchisee's articles of organization and operating agreement or articles of incorporation and bylaws by _____, 20____.
(Month) (Day) (Year)

IN WITNESS WHEREOF, Franchisee's authorized agent has executed this Franchisee Representations and Warranties as of the ____ day of _____, 20____.

FRANCHISEE:

By: _____
(Signature)

Name: _____

Title: _____

**EXHIBIT A-4
TO THE FRANCHISE AGREEMENT**

PRINCIPAL CONFIDENTIALITY & NON-COMPETITION AGREEMENT

This PRINCIPAL CONFIDENTIALITY & NON-COMPETITION AGREEMENT (“Principal Agreement”) shall constitute an agreement regarding non-compete, confidential, proprietary information, and trade secrets (collectively referred to as “Confidential Information”) relating to the business of and by and between **LEON COMMERCE CO., LLC** (“Franchisor”, “Sweeto BurritoTM”, and the “Company”) and all of the undersigned (each a “Principal”) and is entered into and made effective as of the ____ day of _____, 20____ (“Effective Date”).

RECITALS

A. Franchisor, as a result of the expenditure of time, skill, effort, and money has developed and owns a certain unique, comprehensive, and distinctive system and method for the establishment, development, and operation of businesses known as Sweeto BurritoTM, providing specialty burritos, wraps, salads, bowls, and related food items and services (referred to as the “System”). This System Includes the right to use certain trade names, trademarks, service marks, proprietary marks, trade dress, décor, colors, layout, and other source indicators. In addition, the System Includes the use of many confidential elements Including Confidential Information, manuals, equipment, formulas, marketing plans and concepts, operations, training procedures, the sale of products and services under the name Sweeto BurritoTM and other trademarked items.

B. Principal, or his or her company, entered into an agreement with Franchisor on this ____ day of _____, 20____ (“Franchise Agreement”) that granted rights to operate a Sweeto BurritoTM franchise using the System developed by Franchisor Including certain Confidential Information and proprietary information of Franchisor.

C. Principal will have access to Franchisor’s Confidential Information and Principal recognizes the benefits derived from being identified with the trade name, participating in the System, and the intangible property rights licensed under the Franchise Agreement and understands that a condition for Franchisor to enter into the Franchise Agreement with the Principal, or his or her company, is for the Principal to enter into this Agreement.

D. All capitalized terms used herein but not defined will have the meaning as defined in the Franchise Agreement and all references to Articles, Sections, and Paragraphs refer to articles, sections, and paragraphs of the Franchise Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of Franchisor entering into the Franchise Agreement with Principal, or his or her company, the recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Acknowledgment. Principal acknowledges that he or she has obtained or may

obtain knowledge of Confidential Information, not previously known to him or her prior to the association with Franchisor, Including procedures, matters, services, products, and the System, that have been developed, used, and owned by Franchisor and made available to the Principal, which are essential to the operation of a franchise, and without access to such information the Franchise Business could not efficiently, competently, and successfully operate.

2. Confidential Information. Confidential Information concerning the Company, its affiliates, or which otherwise becomes known to the Principal shall be used by only the Principal and only during the term and for the purposes of the Franchise Agreement. At all times during and after the term hereof, Principal, and Principal's family, shall maintain in confidence, and shall take all necessary steps to ensure that its owners, executives, officers, employees, and agents maintain in confidence, all such Confidential Information and shall refrain from disclosing, directly or indirectly, any information relating to the business or interest of Franchisor, or the System, which he or she knows, or reasonably should know, is regarded as confidential and valuable to Franchisor, to third parties, excepting only to such persons and extent as may be specifically authorized in writing by Franchisor, Including all inventions, trade secrets, codes, processes know how, product designs, technical information, technical designs, engineering data, specifications, computer programs, manuals, customer lists, supplier lists, licensee lists, agreements, marketing, and other business strategies, forms, and other confidential and informational materials that are heretofore or hereafter owned or controlled by the Company and that relate to the design, production, licensing, sale, distribution and use of the franchise or that otherwise relate to Franchisor, or its affiliates. Confidential Information shall include enhancements or modifications to the System, or any components thereof, developed or discovered by Principal or any of Principal's executives, officers, employees, and agents. Any unauthorized use of the Confidential Information by Principal shall constitute an infringement of the rights of Franchisor in and to the Confidential Information. Principal agrees that all unauthorized usage of the Confidential Information by Principal and any monies earned or received by Principal shall inure to Franchisor's exclusive benefit.

3. Non-Competition. As Principal and Franchisor share a common interest in preventing situations where past franchisees operate a substantially similar competing business, the following in-term and post-term covenants will be enforced. In the event that Principal violates this Principal Agreement and competes during the term of the non-competition period, the non-competition period will be extended by the amount of time Principal competed plus an additional six (6) months thereafter.

3.1 In-Term Covenant. Principal agrees that during the term of the Franchise Agreement, Including any renewals or extensions, that Principal, Principal's spouse, family, partners, officers, members, or directors will not directly or indirectly enter into or in any manner take part in any business, profession, proprietorship, or any endeavor which manufactures, sells, markets or distributes any products or services which are the same as or similar to the products and services or that otherwise competes with the Company in any manner, unless with written consent from the Franchisor. Principal understands and acknowledges that a violation of this covenant will cause irreparable harm to the Company.

3.2 Post-Term Covenant. Following the termination or expiration of this Principal Agreement for any reason, for a period of one (1) year thereafter, neither Principal, nor Principal's spouse, family, partners, officers, members, or directors shall, directly or indirectly,

participate as an owner, employee, consultant, partner, officer, director, shareholder, participant, or share the earnings or profits of any person, firm, entity, partnership, corporation that is engaged in the production, sale, marketing or distribution of products or services which are the same as or similar to Franchisor's products or System in any capacity or location within the Territory or within a thirty (30) mile radius of their Territory or the territory of any other franchisee's location. Principal further agrees not to use, at any time, Franchisor's trade secrets or other Confidential Information. The restrictions of this Section are not applicable to owners of shares that represent two percent (2%) or less of the issued or outstanding securities of that class of security.

4. Non-Solicitation of Customers. Principal will not solicit, directly or indirectly, on his or her own behalf, on behalf of his or her Franchise Business or any other entity whatsoever, or on behalf of any other person(s), any customer of the Company for the purpose of soliciting from any such customer any business that is the same as or substantially similar to the business conducted between Franchisee and the customer of Franchisor or Franchisor's affiliates and the customer for the duration of the Franchise Agreement, Including any extensions or renewals, and for one (1) year after the termination or expiration of the Franchise Agreement. Principal agrees that all customer data is the exclusive property of the Franchisor.

5. Materials. At the termination of the Franchise Agreement, Principal agrees to deliver to Franchisor, and not anyone else, the Sweeto Burrito™'s Manual, training materials, marketing materials, and all Confidential Information, Including, but not limited to, any customer lists, equipment, books, records, data, designs, photographs, notes, reports, sketches, documents, blueprints, or other property owned by Franchisor or relating to the System, and all copies thereof, at Principal's sole expense. Principal may retain a copy of the Franchise Agreement and incorporated Exhibits for compliance reference.

6. Remedies. As any breach by Principal of any of the covenants contained in this Principal Agreement would result in substantial and irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, Principal agrees that, in addition to all other remedies provided by law or in equity, Franchisor, in the event of a breach or threatened breach of the covenants herein contained, shall be entitled to seek immediate equitable remedies, without proof of actual damages that may be caused by such breach and without the requirement of posting bond, including, but not limited to, restraining orders, preliminary and permanent injunctions in order to prevent Principal, his or her partners, members, officers, directors, trustees, or employees from continuing to breach the covenants contained herein. Also, if Principal breaches this Principal Agreement by entering into or engaging with a competing business of Franchisor, Principal will pay to Franchisor one hundred percent (100%) of the amount of revenue generated by Principal from the competing business. Additionally, in the event Principal violates this Principal Agreement, Principal agrees that the Company will be entitled to liquidated damages in the amount of One Hundred Fifty Thousand Dollars (\$150,000) per year of operation for each competing business until the end of Principal's franchise-term.

7. Reasonableness of Restrictions. Principal agrees that the covenants and remedies contained in this Principal Agreement are fair and reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than necessary to protect the goodwill or other business interests of the Company and other franchisees. Principal

acknowledges that the restrictive covenants contained in this Principal Agreement are essential elements of the Franchise Agreement and that without their inclusion, Franchisor would not have entered into the Franchise Agreement.

8. Costs. Principal agrees to pay all costs and expenses Including reasonable attorneys' fees, and interest on such fees, costs, and expenses, incurred by the Company in connection with the enforcement of this Principal Agreement. If Principal violates any restriction contained in this Principal Agreement, and it is necessary for the Company to seek equitable relief, the restrictions contained herein shall remain in effect until one (1) year after such relief is granted. If Principal contests the enforcement of this Principal Agreement and the enforcement is delayed pending litigation, and if the Company prevails, the period of non-competition shall be extended for an additional period equal to the period of time that enforcement of this Principal Agreement is delayed.

9. Enforceability. It is the desire and intent of the parties to this Principal Agreement that the provisions be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Therefore, if any court finds any provision or any portion of any provision to be unreasonable or invalid, the court may reduce the scope and/or duration of the provision to the extent necessary to render it enforceable while still providing the greatest restriction allowable.

10. Alternate Remedies. If this Principal Agreement is found unenforceable by a court and the remedies ordered are found unacceptable to Franchisor, Principal agrees to pay Seventy-Five Thousand Dollars (\$75,000) per competing store, and for one (1) year after the termination of the Franchise Agreement, Principal agrees to pay one-half (1/2) of the royalties and Brand Development Fund Fee, as a fee to Franchisor, which would be payable if the business were a franchise.

11. Interpretation of Agreement. Words in the masculine gender include the feminine and neutral. Use of the singular shall include the appropriate plural numbers. The paragraph headings and title of this Principal Agreement are not part of this Principal Agreement, having been inserted for convenience of reference only, and shall have no effect upon the construction or interpretation of this Principal Agreement.

12. Binding Effect. This Principal Agreement and all its terms, conditions, and stipulations shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, heirs, successors, and permitted assigns.

13. Survival of Covenants. Notwithstanding anything in this Principal Agreement or the Franchise Agreement to the contrary, all covenants set forth herein shall survive the termination or expiration of this Principal Agreement or the Franchise Agreement, and shall apply regardless of whether this Principal Agreement or the Franchise Agreement was terminated by lapse of time, by default of either party, by agreement of the parties, or for any other reason.

14. Amendment. This Principal Agreement may be amended, modified, or changed only by a written instrument signed by duly authorized representatives of both parties.

15. Governing Law. This Principal Agreement is to be construed pursuant to the current laws of the State of Utah. Jurisdiction and venue for any claim arising out of this Principal Agreement shall be made in the state and federal courts of Salt Lake County, State of Utah.

16. Counterpart Signatures. For the convenience of the Franchisor and Principal, it is agreed that this Principal Agreement may be signed in one or more counterparts, by facsimile, electronic signature, scanned, emailed signature, or other electronic means, and when all signatures are attached to this Principal Agreement, it shall be binding as though they each originally signed the same signature page.

**PRINCIPAL ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS
THE CONTENTS OF THIS PRINCIPAL AGREEMENT.**

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand, and agree to all of the terms and provisions of this Principal Agreement and have caused this Principal Agreement to be executed as of the date first above written with full authority.

FRANCHISOR:

FRANCHISEE:

LEON COMMERCE Co., LLC

By: _____
(Signature)

By: _____
(Signature)

Name: _____

Name: _____

Title: _____

Title: _____

**EXHIBIT A-5
TO THE FRANCHISE AGREEMENT**

EMPLOYEE CONFIDENTIALITY & NON-COMPETITION AGREEMENT

THIS EMPLOYEE CONFIDENTIALITY & NON-COMPETITION AGREEMENT (“Employee Agreement”) is entered into and made effective as of the ____ day of _____, 20____ (“Effective Date”) and shall constitute an agreement regarding non-compete, confidential, proprietary information, and trade secrets (collectively referred to as “Confidential Information”) relating to the business of and by and between _____ (“Franchisee”), and _____ (“Employee”), residing in _____.

(City) (State) (Zip Code)

RECITALS

A. Franchisee has been granted the right to operate a franchise by LEON COMMERCE CO., LLC (“Franchisor” or “Sweeto Burrito™”) under the name of Sweeto Burrito and in doing so has gained access to Franchisor’s Confidential Information; and

B. Employee may also have access to Franchisor’s Confidential Information during his or her time of employment with Franchisee.

AGREEMENT

NOW, THEREFORE, in consideration of the employment of Employee by Franchisee, the recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Employee and Franchisee agree to the following:

1. Acknowledgment. Employee acknowledges that he or she has obtained or may obtain knowledge of Confidential Information, not previously known to him or her prior to the association with Franchisee, Including procedures, matters, services, products, and the System, that have been developed, used, and owned by Franchisor and made available to Franchisee and Employee, which are essential to the operation of a franchise, and without access to such information the Franchisee’s business could not efficiently, competently, and successfully operate.

2. Confidential Information. Employee shall take all necessary steps to ensure that all Confidential Information may be disclosed to him or her during the course of his or her employment remains confidential, during the term of his or her employment and thereafter, and Employee shall refrain from disclosing, directly or indirectly, any information relating to the business or interest of Franchisor, the System, or Franchisee, which he or she knows, or reasonably should know, is regarded as confidential and valuable to Franchisor, to third parties, except as may be required by Employee to perform his or her duties. Such Confidential Information Includes all inventions, trade secrets, codes, processes, know-how, product designs, technical information, technical designs, engineering data, specifications, computer programs, manuals, customer lists, supplier lists, licensee

lists and agreements, marketing and other business strategies, forms, enhancements and modifications to the System, and other confidential and informational materials that are heretofore or hereafter owned or controlled by the Franchisor and that relate to the design, production, licensing, sale, distribution, and use of the franchise or that otherwise relate to Franchisor or Franchisor's affiliates.

3. Non-Competition. During the term of employment by Franchisee and for a period of one (1) year afterward, Employee shall not directly or indirectly, enter into or in any manner take part in any business, profession, or any other endeavor whatsoever offering products or services the same as or similar to the Franchisor's products or services that compete with the Franchisor in any manner whatsoever within three (3) miles of any Sweeto BurritoTM or Sweeto BurritoTM's franchisee locations as the parties agree that Franchisee attracts customers from up to three (3) miles and therefore this geographical restraint is not unreasonable. Ownership of two percent (2%) or less of voting stock of a publicly held corporation will not be a violation under this Section.

4. Non-Solicitation of Customers. Employee will not solicit, directly or indirectly, on his or her own behalf or any other entity or person whatsoever, any customer of the Franchisor or Franchisee for the purpose of soliciting from any such customer any business that is the same as or substantially similar to the business conducted between Franchisee and the customer or Franchisor or Franchisor's affiliates and the customer for the duration of his or employment and for one (1) year afterward. Employee agrees that all customer data is the exclusive property of the Franchisor.

5. Materials. Upon the termination of Employee's employment with Franchisee, Employee agrees to deliver to Franchisee, and not to anyone else, Franchisor's Manual, training materials, marketing materials, and all Confidential Information, including, but not limited to, preparation materials, data, designs, photographs, customer lists, books, records, reports, sketches, documents, or other property owned by Franchisor or Franchisee or relating to the System.

6. Remedies. As any breach by Employee of any of the covenants contained in this Employee Agreement would result in irreparable injury to Franchisor and Franchisee, and as the damages arising out of any such breach would be difficult to ascertain, Employee agrees that, in addition to all other remedies provided by law or in equity, Franchisor, in the event of a breach or threatened breach of the covenants herein contained, shall be entitled to seek immediate equitable remedies, without proof of actual damages that may be caused by such breach and without the requirement of posting bond, including, but not limited to, restraining orders, preliminary and permanent injunctions in order to prevent Employee, his or her partners, family, associates, or other third parties from continuing to breach the covenants contained herein.

7. Reasonableness of Restrictions. Employee acknowledges that the restrictive covenants contained in this Employee Agreement are essential elements of his or her employment and that without their inclusion, Franchisee would not have granted Employee employment. Employee agrees that each of the terms set forth herein, including the restrictive covenants, are fair and reasonable and are reasonably required for the protection of Franchisor and Franchisee.

8. Enforceability. It is the desire and intent of the parties to this Employee Agreement that the provisions herein be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Employee Agreement is adjudicated to be invalid or unenforceable, then this Employee Agreement shall be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable, such deletion to apply only with respect to the operation of that paragraph and the particular jurisdiction in which said adjudication is made. Further, to the extent any provision of this Employee Agreement is deemed to be unenforceable by virtue of its scope, but may be made enforceable by limitation, the parties agree that the same shall, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

9. Attorney's Fees. In the event any action in law or equity or any arbitration, mediation, or other proceeding is brought for the enforcement, or in connection, of this Employee Agreement, the successful or prevailing party or parties shall be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

10. Governing Law. This Employee Agreement is to be construed pursuant to the current laws of the State of Utah. Jurisdiction and venue for any claim arising out of this Employee Agreement shall be made in the state and federal courts of Salt Lake County, State of Utah.

11. Interpretation of Agreement. Words in the masculine gender include the feminine and neutral. Use of the singular shall include the appropriate plural. The paragraph headings and title of this Employee Agreement are not part of this Employee Agreement, having been inserted for convenience of reference only, and shall have no effect upon the construction or interpretation of this Employee Agreement.

12. Binding Effect. This Employee Agreement and all its terms, conditions, and stipulations shall be binding upon and shall inure to the benefit of the Franchisee hereto and its respective legal representatives, heirs, successors, and permitted assigns. Employee has no rights to assign any part of this Employee Agreement and any claimed assignment will be null and void having no force or effect whatsoever.

13. Survival of Covenants. All covenants set forth in this Employee Agreement herein shall survive the termination or expiration of this Employee Agreement and shall apply regardless of how this Employee Agreement was terminated.

14. Amendment. This Employee Agreement may be amended, modified, or changed only by a written instrument signed by duly authorized representatives of both parties.

15. Counterpart Signatures. For the convenience of the Employee, Franchisor, and Franchisee, it is agreed that this Employee Agreement may be signed in one or more counterparts, by facsimile, electronic signature, scanned, emailed signature, or other electronic means, and when all signatures are attached to this Employee Agreement, it shall be binding as though they each originally signed the same signature page.

16. Third Party Beneficiary. It is agreed and acknowledged that LEON COMMERCE Co., LLC is a third-party beneficiary to this Agreement and LEON COMMERCE Co., LLC owes no duty whatsoever to Employee as he or she is an employee of Franchisee only and not an employee of LEON COMMERCE Co., LLC.

EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS THE CONTENTS OF THIS EMPLOYEE AGREEMENT.

IN WITNESS WHEREOF, and by their signatures below, the parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Employee Agreement and have caused this Employee Agreement to be executed as of the date first above written with full authority.

FRANCHISEE:

By: _____
(Signature)

Name: _____

Title: _____

EMPLOYEE:

(Signature)

(Print Name)

**EXHIBIT A-6
TO THE FRANCHISE AGREEMENT**

PRINCIPAL CONFIDENTIAL RECIPE AGREEMENT

This PRINCIPAL CONFIDENTIAL RECIPE AGREEMENT (“Principal Recipe Agreement”) shall constitute an agreement regarding the confidentiality of recipes and is entered into and made effective as of the ____ day of _____, 20____, by and between **LEON COMMERCE CO., LLC** a Utah limited liability company (“Franchisor” and the “Company”) and the undersigned (“Principal”).

RECITALS

A. Principal, or his or her company, entered into an agreement with Franchisor on this ____ day of _____, 20____ (“Franchise Agreement”) that granted rights to operate a Sweeto Burrito™ franchise (“Franchise”) using the System developed by Franchisor Including certain Confidential Information and proprietary information of Franchisor.

B. Franchisor has developed confidential and proprietary mixes, recipes, processes, spices, methods, formulas, trade secrets, and procedures (collectively referred to as “Recipes”) to create menu items for the operation of the Franchise and will continue to revise and develop new Recipes and menu items.

C. Principal will have access to Franchisor’s confidential and proprietary Recipes.

D. Principal recognizes the significance of the Recipes and the importance of keeping the Recipes confidential. Principal understands that a condition for Franchisor to enter into the Franchise Agreement with the Principal, or his or her company, is for the Principal to enter into this Principal Recipe Agreement.

E. All capitalized terms used herein but not defined will have the meaning as defined in the Franchise Agreement and all references to Articles, Sections, and Paragraphs refer to articles, sections, and paragraphs of the Franchise Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of Franchisor granting Principal, or his or her company, access to use Recipes, Franchisor entering into the Franchise Agreement with Principal, or his or her company, the recitals, the mutual covenants contained herein, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Acknowledgment. Principal acknowledges that he or she has obtained or may obtain knowledge of Confidential Information, not previously known to him or her prior to the association with Franchisor, Including procedures, matters, services, products, and the System, that have been developed, used, and owned by Franchisor and made available to the Principal, which are essential to the operation of a franchise, and without access to such information

Franchisee could not efficiently, competently, and successfully operate.

2. Recipe Confidentiality. Principal agrees to keep Franchisor's Recipes confidential. Any Recipes which becomes known to the Principal shall be used by only the Principal and only during the term and for the purpose of the Franchise Agreement. At all times during and after the term hereof, Principal shall maintain in confidence, and shall take all necessary steps to ensure that its owners, executives, officers, employees, and agents maintain in confidence, all such confidential Recipe information Including ingredients, procedures, temperatures, and measurements and shall refrain from copying, transmitting, recreating, reproducing, or disclosing, directly or indirectly, any Recipe information relating to the business or interest of Franchisor, or the System, which he or she knows, or reasonably should know, is regarded as confidential and valuable to Franchisor, to third parties, at any time, except only to such persons and to the extent specifically authorized in writing by Franchisor. Each employee of Principal who is authorized to use the Recipes during their employment with Franchisee must sign and return an Employee Confidential Recipe Agreement (attached hereto as Exhibit "A-7"), which shall be promptly sent to Franchisor within ten (10) days of signing, prior to accessing or using any of Franchisor's Recipes. Additionally, Principal warrants that only authorized employees over the age of eighteen (18) will use the Recipes. Any unauthorized use of the Recipes by Principal shall constitute an infringement of the rights of Franchisor in and to the Confidential Information. Principal agrees that all unauthorized usage of the Recipes by Principal and any monies earned or received by Principal shall inure to Franchisor's exclusive benefit.

3. Prohibition on Reverse Engineering. For purposes of this Principal Recipe Agreement, the term "reverse engineering" Includes any deviation, deconstruction, determination, or reformulation of the Recipes that makes minimal changes to the process, procedure, or ingredients where the final product is substantially similar or identical to the results as if the Recipe were followed. Principal is prohibited, personally or in collaboration with a person, organization, or entity, from reverse engineering, decompiling, deconstructing, or attempting to reverse engineer, decompile, destruct any Recipe and Principal is also prohibited from allowing, encouraging, or permitting any employee, manager, member, partner, director, owner, agent, or any other person to do so.

4. Violation Notification. Principle is obligated to notify, in a timely fashion, Franchisor of any possible attempts to reverse engineer Franchisor's Recipes, reveal Franchisor's Confidential Information, or violate any terms of this Principal Confidential Recipe Agreement or the Employee Confidential Recipe Agreement. If it is discovered that Principal knew or should have known of any possible or suspected attempts to reveal Franchisor's Recipe or violate any terms of this Principal Recipe Agreement, Principal agrees to indemnify Franchisor for all costs and fees associated with enforcement and agrees to reimburse Franchisor for any losses from such violation.

5. Limitation on Use. Principal agrees to limit his or her use of Franchisor's Recipes, Including his or her memory of the Recipes, to the performance of his or her duties as outlined in the Franchise Agreement, Manual, and any other policy or procedure provided by Franchisor.

6. Materials. In order to preserve Franchisor's confidential Recipes, upon the

termination of the Franchise Agreement, Principal agrees to deliver to Franchisor, and not anyone else, any materials that relate, directly or indirectly, to the Recipes Including all recipe books, notes, lists, photographs, documents, data, records, Sweeto Burrito™'s Manual, training materials, and any other items relating to or containing information about Franchisor's Recipes.

7. Modification. Principal acknowledges and agrees that any Recipe modifications, alterations, changes, or improvements made by Principal, or by or in conjunction with his or her employees, family members, or any other person, must be promptly disclosed to Franchisor and are regarded as Franchisor's sole and exclusive property which Franchisor may use and license others to use.

8. Notices. Any notice required to be given under this Principal Recipe Agreement shall be in writing and shall be delivered, to such address as listed in the Franchise Agreement, by either certified mail, return receipt requested; personal delivery; recognized courier service; or email when confirmed by receipt verification.

9. Remedies. As any breach by Principal of any of the covenants contained in this Principal Recipe Agreement would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, Principal agrees that, in addition to all other remedies provided by law or in equity, Franchisor, in the event of a breach or threatened breach of the covenants herein contained, shall be entitled to seek immediate equitable remedies, without proof of actual damages that may be caused by such breach and without the requirement of posting bond, including, but not limited to, restraining orders, preliminary and permanent injunctions in order to prevent Principal, his or her partners, members, officers, directors, trustees or employees from continuing to breach the covenants contained herein. If Principal breaches this Principal Recipe Agreement by revealing or reverse engineering Franchisor's Recipes, Principal agrees to pay Franchisor one hundred percent (100%) of the amount of revenue generated by such use of the Recipes and is liable for any other damages Franchisor may deem reasonable.

10. Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration, mediation, or other proceeding is brought for the enforcement of this Principal Recipe Agreement, the successful or prevailing party or parties shall be entitled to reasonable attorneys' fees and other costs reasonably incurred in such action or proceeding.

11. Enforceability. It is the desire and intent of the parties to this Principal Recipe Agreement that the provisions be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Principal Recipe Agreement is adjudicated to be invalid or unenforceable, then this Principal Recipe Agreement shall be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable, such deletion to apply only with respect to the particular jurisdiction in which said adjudication is made. Further, to the extent any provision of this Principal Recipe Agreement is deemed to be unenforceable by virtue of its scope, but may be made enforceable by limitation, the parties agree that the same shall, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

12. Interpretation of Agreement. Words in the masculine gender include the feminine and neutral. Use of the singular shall include the appropriate plural numbers. The paragraph headings and title of this Principal Recipe Agreement are not part of this Principal Recipe Agreement, having been inserted for convenience of reference only, and shall have no effect upon the construction or interpretation of this Principal Recipe Agreement.

13. Binding Effect. This Principal Recipe Agreement and all its terms, conditions, and stipulations shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, heirs, successors, and permitted assigns.

14. Survival of Covenants. Notwithstanding anything in this Principal Recipe Agreement or the Franchise Agreement to the contrary, all covenants set forth herein shall survive the termination or expiration of this Principal Recipe Agreement or the Franchise Agreement, and shall apply regardless of whether this Principal Recipe Agreement or the Franchise Agreement was terminated by lapse of time, by default of either party, by agreement of the parties, or for any other reason.

15. Amendment. This Principal Recipe Agreement may be amended, modified, or changed only by a written instrument signed by duly authorized representatives of both parties.

16. Governing Law. This Principal Recipe Agreement is to be construed pursuant to the current laws of the State of Utah. Jurisdiction and venue for any claim arising out of this Principal Recipe Agreement shall be made in the state and federal courts of Salt Lake County, State of Utah.

17. Counterpart Signatures. For the convenience of the Franchisor and Principal, it is agreed that this Principal Recipe Agreement may be signed in one or more counterparts, by facsimile, electronic signature, scanned, emailed signature, or other electronic means, and when all signatures are attached to this Principal Agreement, it shall be binding as though they each originally signed the same signature page.

(Remainder of page intentionally left blank; Signatures to follow)

**PRINCIPAL ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS
THE CONTENTS OF THIS PRINCIPAL RECIPE AGREEMENT.**

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand, and agree to all of the terms and provisions of this Principal Recipe Agreement and have caused this Principal Recipe Agreement to be executed as of the date first above written with the full authority.

FRANCHISOR:

PRINCIPAL:

LEON COMMERCE Co., LLC

By: _____
(Signature)

(Signature)

Name: _____
(Print Name)

(Print Name)

Title: _____

**EXHIBIT A-7
TO THE FRANCHISE AGREEMENT**

EMPLOYEE CONFIDENTIAL RECIPE AGREEMENT

This EMPLOYEE CONFIDENTIAL RECIPE AGREEMENT (“Employee Recipe Agreement”) is entered into and made effective as of the ____ day of _____, 20____ (“Effective Date”) and shall constitute an agreement regarding the preservation of the confidential Recipes relating to the business of and by and between _____ (“Franchisee”) and _____ (“Employee”), residing _____ in _____

(City) (State) (Zip Code)

RECITALS

A. Franchisee has been granted the right to operate a franchise by LEON COMMERCE CO., LLC (“Franchisor”) under the name of Sweeto Burrito and in doing so has gained access to Franchisor’s confidential and proprietary information.

B. Franchisor has developed confidential and proprietary mixes, recipes, processes, spices, methods, formulas, trade secrets, and procedures (collectively referred to as “Recipes”) to create menu items for the operation of the Franchise and will continue to revise and develop new Recipes and menu items.

C. Employee is currently employed by Franchisee and wants to continue employment with Franchisee.

D. Employee is over the age of 18 years.

E. Employee may have access to Franchisor’s confidential and proprietary information during his or her time of employment with Franchisee including, but not limited to, access to Franchisor’s confidential Recipes.

F. Employee recognizes the significance of Franchisor’s Recipes and the importance of keeping the Recipes confidential. Employee understands that a condition of Employee’s employment with Franchisee is for Employee to keep the Recipes confidential.

AGREEMENT

NOW, THEREFORE, in consideration of employment of Employee by Franchisee, the recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Acknowledgment. Employee acknowledges that he or she may obtain or has

obtained knowledge of Confidential Information, not previously known to him or her prior to the association with Franchisee, including, but not limited to, Recipes, procedures matters, services, products, and the System, that have been developed, used, and owned by Franchisor and made available to Franchisee and Employee, which are essential to the operation of a franchise, and without access to such information the Franchisee's business could not efficiently, competently, and successfully operate.

2. Recipe Confidentiality. Employee agrees to keep Franchisor's Recipes confidential. Any Recipes which become known to the Employee shall be used only while Employee is performing his or her duties for purposes of employment during his or her employment with Franchisee. At all times during and after the term of employment, Employee shall maintain in confidence, and shall take all necessary steps to ensure all such confidential Recipe information including, but not limited to, ingredients, procedures, temperatures, and measurements remain confidential and shall refrain from copying, transmitting, recreating, reproducing, or disclosing, directly or indirectly, any Recipe information which he or she knows, or reasonably should know, is regarded as confidential and valuable to Franchisee and Franchisor, to any third party at any time.

3. Prohibition on Reverse Engineering. For purposes of this Employee Recipe Agreement, the term "reverse engineering" includes, but is not limited to, any deviation, deconstruction, determination, or reformulation of the Recipes that makes minimal changes to the process, procedure, or ingredients where the final product is substantially similar or identical to the results as if the Recipe were followed. Employee is prohibited, personally or in collaboration with a person, organization, or entity, from reverse engineering, decompiling, deconstructing, or attempting to reverse engineer, decompile, deconstruct any Recipe and Employee is prohibited from encouraging, promoting, or urging any other employee, manager, member, owner, or other person to do so.

4. Violation Notification. Employee agrees to notify Franchisor, Franchisee, or Employee's supervisor of any possible attempts to reverse engineer Franchisor's Recipes, reveal Franchisor's Confidential Information, or violate any terms of this Employee Confidential Recipe Agreement. If it is discovered that Employee knew, or should have known, of any possible or suspected attempts to reveal Franchisor's Recipe or violate any terms of this Employee Recipe Agreement, Employee agrees to indemnify Franchisor for all costs and fees associated with enforcement, and agrees to reimburse Franchisor for any losses from such violation. Employee also agrees to cooperate with Franchisor with any attempts to enforce this Employee Confidential Recipe Agreement in the same way Franchisee is obligated to cooperate with Franchisor for enforcement of Franchisor's rights to confidential and proprietary information.

5. Limitation on Use. Employee agrees to limit his or her use of Franchisor's Recipes only to times, places, and circumstances as directed by Franchisee. Employee agrees that he or she will not use Franchisor's Recipes, in whole or part, for purposes outside of his or her employment duties with Franchisee including for Employee's personal use.

6. Materials. In order to preserve Franchisor's confidential Recipes, upon the termination of Employee's employment with Franchisee, Employee agrees to deliver to

Franchisee, and not anyone else, any materials that relate, directly or indirectly, to the Recipes including, but not limited to, all recipe books, notes, lists, photographs, documents, data, records, Manual, training materials, or any other items relating to or containing information about Franchisor's Recipes.

7. Modification. Employee acknowledges and agrees that any Recipe modifications, alterations, changes, or improvements made by Employee or Franchisee, or by or in conjunction with other employees or any other person, must be promptly disclosed to Franchisor and are regarded as Franchisor's sole and exclusive property which Franchisor may use and license others to use.

8. Remedies. As any breach by Employee of any of the covenants contained in this Employee Recipe Agreement would result in irreparable injury to Franchisor and Franchisee, and as the damages arising out of any such breach would be difficult to ascertain, Employee agrees that, in addition to all other remedies provided by law or in equity, Franchisor, in the event of a breach or threatened breach of the covenants herein contained, shall be entitled to seek immediate equitable remedies, without proof of actual damages that may be caused by such breach and without the requirement of posting bond, including, but not limited to, restraining orders, preliminary and permanent injunctions in order to prevent Employee, his or her family, associates, or other third parties from continuing to breach the covenants contained herein.

9. Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration, mediation, or other proceeding is brought for the enforcement of this Employee Recipe Agreement, the successful or prevailing party or parties shall be entitled to reasonable attorneys' fees and other costs reasonably incurred in such action or proceeding.

10. Enforceability. It is the desire and intent of the parties to this Employee Recipe Agreement that the provisions be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Employee Recipe Agreement is adjudicated to be invalid or unenforceable, then this Employee Recipe Agreement shall be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable, such deletion to apply only in the particular jurisdiction in which said adjudication is made. Further, to the extent any provision of this Employee Recipe Agreement is deemed to be unenforceable by virtue of its scope, but may be made enforceable by limitation, the parties agree that the same shall, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

11. Interpretation of Agreement. Words in the masculine gender include the feminine and neutral. Use of the singular shall include the appropriate plural numbers. The paragraph headings and title of this Employee Recipe Agreement are not part of this Employee Recipe Agreement, having been inserted for convenience of reference only, and shall have no effect upon the construction or interpretation of this Employee Recipe Agreement.

12. Survival of Covenants. Notwithstanding anything in this Employee Recipe Agreement to the contrary, all covenants set forth herein shall survive the termination or expiration of this Employee Recipe Agreement and shall apply regardless of whether this Employee Recipe

Agreement was terminated by lapse of time, by default of either party, by agreement of the parties, or for any other reason.

13. Amendment. This Employee Recipe Agreement may be amended, modified, or changed only by a written instrument signed by duly authorized representatives of both parties.

14. Governing Law. This Employee Recipe Agreement is to be construed pursuant to the current laws of the State of Utah. Jurisdiction and venue for any claim arising out of this Employee Recipe Agreement shall be made in the state and federal courts of Salt Lake County, State of Utah.

15. Counterpart Signatures. For the convenience of the Franchisee and Employee, it is agreed that this Employee Recipe Agreement may be signed in one or more counterparts, by facsimile, electronic signature, scanned, emailed signature, or other electronic means, and when all signatures are attached to this Employee Agreement, it shall be binding as though they each originally signed the same signature page.

(Remainder of page intentionally left blank; Signatures to follow)

EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ AND UNDERSTANDS THE CONTENTS OF THIS EMPLOYEE RECIPE AGREEMENT.

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand, and agree to all of the terms and provisions of this Employee Recipe Agreement and have caused this Employee Recipe Agreement to be executed as of the date first above written with the full authority.

FRANCHISEE:

EMPLOYEE:

By: _____
(Signature)

Name: _____
(Print Name)

Title: _____

Date: _____

By: _____
(Signature)

Name: _____
(Print Name)

Age: _____

Date: _____

For persons under 18 years of age, a parent or legal guardian must sign this Employee Confidential Recipe Agreement and complete the following section.

I, _____ (Parent/Guardian), the undersigned and the parent and natural or legal guardian of _____ (minor Employee's name), hereby acknowledge that I have executed the foregoing Employee Confidential Recipe Agreement for and on behalf of the minor Employee named herein. I represent that I have the legal capacity and authority to act for and on behalf of the minor named herein. As the natural or legal guardian of such minor Employee, I hereby bind myself, the minor, renewals, and assigns to the obligations and liabilities of the foregoing Employee Confidential Recipe Agreement.

SIGNED AND WITNESSED this ____ day of _____, 20____.

Signature of Parent/Guardian: _____

Name of Parent/Guardian: _____

Address of Parent/Guardian: _____

Parent/Guardian Phone Number: (____) _____ - _____

**EXHIBIT A-8
TO THE FRANCHISE AGREEMENT**

LANDLORD'S CONSENT TO ASSIGNMENT

THIS LANDLORD'S CONSENT TO ASSIGNMENT ("Assignment") is entered into on the ____ day of _____, 20____ ("Effective Date") by and between _____ ("Landlord"), **LEON COMMERCE CO., LLC** ("Franchisor"), whom shall be a third party beneficiary of this Assignment, and _____ ("Franchisee") for the purpose of giving Franchisor the option to assume Franchisee's lease agreement with Landlord ("Lease Agreement").

AGREEMENT

1. Landlord consents to the assignment of the Lease Agreement to Franchisor, in Franchisor's sole discretion and to any of Franchisor's affiliates, for the purpose of securing the obligation of Franchisee in the event of Franchisee's breach of the Lease Agreement.

2. Landlord agrees to inform Franchisor, by providing written notice to Franchisor, of any breach of the Lease Agreement in which Landlord would be required to provide notice to Franchisee. Notices to Franchisor may be sent to: Leon Commerce Co, LLC, 930 Chambers Street, Suite 7, Ogden, Utah 84403.

3. Landlord agrees to not permit Franchisee to sublease or assign all or any portion of the Lease Agreement without Franchisor's prior consent.

4. Landlord agrees not to take any action to terminate the Lease Agreement without providing Franchisor with thirty (30) days written notice of such breach and an opportunity, but not obligation, to cure such breach within the thirty (30) day period.

5. Landlord agrees that if Franchisee is in default under the Lease Agreement, or if Franchisee is in default under the franchise agreement with Franchisor, Franchisor will have the right, but not obligation, for thirty (30) days after termination of the Lease Agreement, or the franchise agreement, to take possession of the leased Premises and assume the Lease Assignment or to reassign the Lease Agreement to another franchisee of Franchisor's choosing with Landlord's consent which shall not be unreasonably withheld.

6. Landlord agrees to only look to Franchisee for obligations under the Lease Agreement and that Franchisor will not be liable for any rent or any other obligation under the Lease Agreement, unless Franchisor has taken possession of the lease Premises.

Landlord

By: _____
Title: _____
Print Name: _____

**EXHIBIT A-9
TO THE FRANCHISE AGREEMENT**

SITE LOCATION AGREEMENT ADDENDUM

THIS SITE LOCATION AGREEMENT (“Site Agreement”) is entered into on the ____ day of _____, 20____, by and between **LEON COMMERCE CO., LLC** (“Franchisor”, “We”, “Us”, and “Our”) and _____ (“Franchisee”, “You”, and “Your”) and shall constitute an amendment to the Franchise Agreement by and between You and Us in the event that You have not secured a location for Your franchise in the time frame provided in the Franchise Agreement.

RECITALS

- A. Franchisor and Franchisee entered into a Franchise Agreement;
- B. The Franchise Agreement provides that You must select a location for Your Franchise Business within sixty (60) days of signing the Franchise Agreement; and
- C. As of the date of this Site Agreement, Franchisee has not confirmed a location for the Franchise Business, therefore, Franchisor is granting You a thirty (30) day extension to the time frame required to select a location under the Franchise Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms, and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties, intending to be legally bound, do hereby represent, warrant, covenant and agree as follows:

- 1. This Site Agreement will amend Article V (“Construction, Commencing Operations, and Lease”) of the Franchise Agreement, in part, to provide You with thirty (30) days from the date of entering into this Site Agreement to identify the proposed location of Your Sweeto Burrito™ Franchise.
- 2. You understand that Your Sweeto Burrito™ Franchise must be located in one of the following area(s): _____.
- 3. Once You have selected a site location, You must provide Us with written notice of Your proposed site location and We will provide You with written notice of Our acceptance or rejection of Your proposed site location within four (4) weeks of receiving Your aforementioned written notice.
- 4. If We notify You of Our acceptance of Your proposed site location, the location will be entered as an amendment to Your Franchise Agreement and identified as Your Territory.

5. You must open Your Franchise Business within _____ months after Your receipt of Our written notice providing acceptance of Your site location.

6. You agree that all other terms and conditions of the Franchise Agreement, except as modified herein, will remain in full force and effect as currently set forth therein.

IN WITNESS WHEREOF, and by their signatures below, the parties hereto acknowledge that they have read, understand, and agree to all of the terms and provisions of this Site Agreement and have caused this Site Agreement to be executed as of the date first above written with the full authority.

FRANCHISOR:

LEON COMMERCE CO., LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:

By: _____
(Signature)

Name: _____

Title: _____

**EXHIBIT A-10
TO THE FRANCHISE AGREEMENT**

AUTHORIZATION AGREEMENT FOR ELECTRONIC FUNDS TRANSFER

I hereby authorize LEON COMMERCE CO., LLC (the “Company”) to initiate Electronic Funds Transfer (“EFT”) charges to my depository financial institution, indicated below, for automatic payment of fees that are indicated in the Franchise Agreement. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of United States law.

This Authorization will remain in full force and effect until underlying obligations under the Franchise Agreement have been satisfied in full or released in writing by the Company.

Financial Institution Name: _____

Branch: _____

Address: _____

City: _____ State: _____ Zip: _____

Account Number: _____

ABA Routing Number: _____

By signing below, I expressly agree that this authorization shall apply to any and depositories and bank accounts with which I open accounts during the term of the Franchise Agreement and any renewals. I understand that I close any bank account, I am obligated to immediately: (1) notify the Company in writing; (2) establish another bank account; and (3) execute and deliver to the Company all documents necessary for the Company to begin and continue making withdrawals from such bank account/depository by ACH debiting, EFT or other electronic means. I specifically agree and declare that this Authorization shall be the only written authorization needed from me in order to initiate debit entries/EFT/ACH debit originations to my bank account(s) established with and Depository in the future.

Name of Franchisee: _____ Location: _____

Authorized Signatory: _____ Date: _____

Authorized Individual's Name: _____
(please print)

Title: _____

EXHIBIT A-11
TO THE FRANCHISE AGREEMENT
STATE ADDENDUM

**ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF VIRGINIA**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Grout Doctor Global Franchise Corp. for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosures.

The following statements are added to Section 11.1 A-L:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement and area developer agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement and area developer agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

**EXHIBIT “B”
TO THE FDD**

STATEMENT OF PROSPECTIVE FRANCHISEE

**LEON COMMERCE CO., LLC
STATEMENT OF PROSPECTIVE FRANCHISEE(S)**

NOTE: Please complete in the handwriting of Prospective Franchisee(s).

Prospective Franchisee(s), _____ LLC/INC. (also called “We” or “Us” in this document), and **LEON COMMERCE CO., LLC** (also called the “Franchisor”) each have an interest in making sure that no misunderstandings exist between them, and to verify that no violations of law might have occurred and understanding that the Franchisor is relying on our statements, We represent as follows:

- | A. | <u>The following dates and information are true and correct:</u> | <u>Initials</u> |
|-----------|---|------------------------|
| | 1. The date on which We received the Franchise Disclosure Document with the Franchise Agreement and all other document for the Sweeto Burrito™ Franchise was _____. | _____ |
| | 2. We negotiated the following changes with the Franchisor:

_____ | _____
_____ |
| | 3. The date when We received a fully completed (ready for signatures) copy of the Franchise Agreement and other documents We later signed was _____. | _____ |
| | 4. The earliest date on which We signed the Franchise Agreement or any other binding document was _____. | _____ |
| | 5. The earliest date on which We delivered cash, check or other consideration to the Franchisor, or any other person or company was _____. | _____ |
| B. | <u>Representations and Other Matters:</u> | |
| | 1. No oral, written, visual or other promises, agreements, representations, understandings, “side deals,” or otherwise of any type, which expanded upon or were inconsistent with the Disclosure Document, the Franchise Agreement or any other written documents, have been made to or with Us with respect to <u>any</u> matter nor have We relied in any way on any such, except as expressly set forth in the Franchise Agreement or a written Addendum thereto to be signed by Us and the Franchisor, except as follows:

_____ | _____
_____ |
| | (If none, write NONE in your own handwriting) | _____ |

2. No oral, written, visual or other claim, guarantee or representation of any sort, has been made to Us which stated or suggested any specific level or range of actual or potential sales, income, expenses, profits, cash flow, by any person or entity, nor have We relied in any way on any such, except for information (if any) expressly set forth in Item 19 of the Franchisor's Disclosure Document (or an exhibit referred to therein), except as follows:

(If none, write NONE in your own handwriting)

3. We are not relying on the Franchisor or any other entity to provide or arrange financing of any type, nor have We relied in any way on such, except as expressly set forth in the Franchise Agreement or a written Addendum thereto to be signed by Us and the Franchisor, except as follows:

(If none, write NONE in your own handwriting)

4. We constitute all of the executive officer, partner, shareholders, investors and/or principals of the Prospective Franchisee and each of Us individually has received the Franchise Disclosure Document and all exhibits and has carefully read, discussed, understands and agrees to the Franchise Agreement, each written Addendum and any Personal Guarantees.

5. We have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and the Franchisor has strongly recommended that We obtain such independent professional advice.

6. We confirm that We have discussed the proposed purchase of, or investment in, a Sweeto BurritoTM Franchise with existing Sweeto BurritoTM Franchisees.

7. We understand that: entry into any business venture necessarily involves some unavoidable risk of loss or failure and that the Sweeto BurritoTM Franchise is a speculative investment. Investment beyond that outlined in the Disclosure Document may be required to succeed and there exists no guaranty against possible loss or failure and the most important factors in our success are Our personal business, marketing, sales, management, judgment and other skills.

If there are any matters inconsistent with the statements in this document, or if anyone has suggested that We sign this document without all of its statements being true, correct and complete, We will (a) **immediately** inform the Franchisor; and (b) make a written statement regarding such next to Our signature below so that the Franchisor may address and resolve any such issue(s) at this time before going forward.

We understand and agree that the Franchisor does not furnish or endorse or authorize its salespersons or others to furnish or endorse, any oral, written or other information concerning actual or potential sales, income, expenses, profits, cash flow, or otherwise, that any such information not expressly set forth in Item 19 of the Franchisor's Disclosure Document (if any) is not reliable and that We have not relied on such information and that no such results can be assured or estimated and that actual results will vary from unit to unit and may vary significantly.

8. We are also a franchisee in the following system(s):

(write none if not a franchisee for another franchise system)

If you are a franchisee in another franchise system, the date you purchased that franchise was _____.

We understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

DATED on this _____ day of _____ 20__.

_____, LLC/Inc.

By: _____

(Signature)

Print Name: _____

Title: _____

Prospective Franchisee(s):

(Each corporation, partner, officer, owner, member, and/or shareholder must sign below)

By: _____

(Signature)

Print Name: _____

By: _____

(Signature)

Print Name: _____

**EXHIBIT “C”
TO THE FDD**

FINANCIAL STATEMENTS

AUDITED FINANCIAL STATEMENTS
March 30, 2021

Leon Commerce Co., LLC

Balance Sheet

March 30, 2021

(With Independent Accountant's Report Thereon)

JOSEPH B GLASS & ASSOCIATES
Certified Public Accountant



Joseph B Glass & Associates
Certified Public Accountant
190 South 200 East
Blanding, Utah 84511
Tel. 801-414-3325 Fax. 801-304-0475
e-mail address: joebglasscpa@msn.com

Independent Auditor's Report

To the Members
Leon Commerce Co., LLC

Report on the Financial Statements

We have audited the accompanying balance sheet of Leon Commerce Co., LLC as of March 30, 2021, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Leon Commerce Co., LLC as of March 30, 2021 in accordance with accounting principles generally accepted in the United States of America,

Joseph B Glass & Associates
Joseph B Glass & Associates

Blanding, Utah

June 10, 2021

Leon Commerce Co., LLC

Balance Sheet

March 30, 2021

Assets

Current assets:

Cash and cash equivalents

\$ 1,050

Total current assets

1,050

\$ 1,050

Liabilities and Member's Equity

Current liabilities:

Accounts payable

\$ -

Total current liabilities

-

Member's equity

1,050

Commitments and contingencies

-

\$ 1,050

See accompanying notes to financial statement.

Leon Commerce Co., LLC
Notes to Financial Statement
March 30, 2021

(1) Organization, Line of Business, and Summary of Significant Accounting Policies

(a) Organization and Line of Business

Leon Commerce Co., LLC (Company) was formed to develop and engage in all phases of the business of franchising fast casual restaurants.

The Company, as of March 30, 2021 had not commenced operations or recorded any sales of franchises. The Company's activities are subject to certain risks and uncertainties which will impact its future operations.

(b) Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

(c) Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

(d) Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable by the Company. Members are taxed individually on their share of the Company's earnings. The Company's net income is allocated among the members in accordance with their ownership.

(e) Franchise Fee Revenue

The Company recognizes revenues from franchise sales. Franchise fee revenue is recognized, in accordance with current revenue recognition standards, on a straight-line basis over the term of the franchises.

Other performance obligations related to franchise sales such as training, etc. are billed separately from the franchise fee and are recognized as revenue when the obligation is satisfied.

Leon Commerce Co., LLC
Notes to Financial Statement
March 30, 2021

(2) Concentrations of Credit

The Company's customers consist primarily of individuals living in the United States.

(3) Subsequent events

Management of the Company has evaluated any subsequent events that may require disclosure in these financial statements through June 10, 2021 the date that the financial statements were issued.

**EXHIBIT “D”
TO THE FDD**

SCHEDULE OF FRANCHISEES

CURRENT FRANCHISES: None

COMPANY OR AFFILIATE OWNED FRANCHISES: None

FRANCHISEES* WHO HAVE HAD AN OUTLET TRANSFERRED, TERMINATED, CANCELLED, NOT RENEWED, OR OTHERWISE VOLUNTARILY OR INVOLUNTARILY CEASED TO DO BUSINESS UNDER A FRANCHISE AGREEMENT DURING THE MOST RECENTLY COMPLETED FISCAL YEAR OR WHO HAVE NOT COMMUNICATED WITH US WITHIN 10 WEEKS OF THE DISCLOSURE DOCUMENT ISSUANCE DATE:

This is a new franchise offer and no franchises were sold, transferred, terminated, not renewed, reacquired or left the system at time of preparation of this disclosure document.

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

**EXHIBIT “E”
TO THE FDD**

LIST OF AGENTS FOR SERVICE OF PROCESS

California: Commissioner of Financial Protection and Innovation
Department of Financial Protection and Innovation
2101 Arena Boulevard
Sacramento, CA 95834
(916) 445-7205
Toll free at 1-866-275-2677

Georgia: Secretary of State of Georgia
Corporations Division
2 Martin Luther King, Jr. Dr., SE
Suite 315, West Tower
Atlanta, Georgia 30334

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

Illinois: Chief, Franchise Division
Office of Attorney General
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana: Indiana Secretary of State
201 State House
Indianapolis, IN 46204

Maryland: Maryland Securities Commissioner
Division of Securities
Office of Attorney General
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020
(410) 576-6360

Michigan: Antitrust and Franchise Business
Michigan Department of the
Attorney General's Office
Franchise Administrator
Consumer Protection Division
6546 Mercantile Way
Lansing, MI 48910
(517) 373-7117

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

New York: New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

North Dakota: North Dakota Securities Department
600 East Boulevard Avenue
State Capital Fifth Floor Dept 414
Bismarck, ND 58505-0510
(701) 328-4712

Oregon: Director of Insurance & Finance
Business Service Division of Finance
and Corporate Securities Labor
and Industries Building
Salem, OR 97310
(503) 378-4387

Rhode Island: Chief Securities Examiner
of Business Regulation
Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, RI 02920
(401) 462-9527

South Dakota: Department of Insurance
Division of Regulation
124 S. Euclid Avenue, 2nd Floor
Pierre, SD 57501

(605) 773-3563

Virginia: Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, VA 23219

Washington: Director of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

Wisconsin: Wisconsin Commissioner of Securities
Franchise Investment Division
Fourth Floor
101 East Wilson Street
Madison, WI 53702

**EXHIBIT “F”
TO THE FDD**

**LIST OF STATE AGENCIES RESPONSIBLE FOR
FRANCHISE DISCLOSURE/REGISTRATION LAWS**

California

Department of Financial Protection and
Innovation

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(916) 445-7205
Toll free at 1-866-275-2677

San Diego

1350 Front Street, Room 2034
San Diego, California 92101-3697
(619) 525-4233
Toll free at 1-866-275-2677

San Francisco

One Sansome Street, Ste. 600
San Francisco, California 94104
(415) 972-8559
Toll free at 1-866-275-2677

Los Angeles

320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
Toll free at 1-866-275-2677

Connecticut

Securities and Business Investment Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, Connecticut 06103-1800
(860) 240-8233

Florida

Department of Agriculture and Consumer
Services
Division of Consumer Services
P.O. Box 6700
Tallahassee, Florida 32314-6700
(805) 488-2221
Fax: (805) 410-3804

Georgia

Secretary of State of Georgia
Corporations Division
2 Martin Luther King, Jr. Dr., SE
Suite 315, West Tower
Atlanta, Georgia 30334

Hawaii

Department of Commerce and Consumer
Affairs
Business Registration Division
Commissioner of Securities
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2744

Illinois

Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4436

Indiana

Franchise Section
Indiana Securities Division
Secretary of State
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

Iowa

Iowa Securities Bureau
340 Maple
Des Moines, Iowa 50319-0066
(515) 287-4441

Maryland

Office of the Attorney General,
Division of Securities
200 St. Paul Place, 20th floor
Baltimore, Maryland 21202-2020
(410) 576-6360

Michigan

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
525 West Ottawa Street
Williams Building, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

Minnesota

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

Nebraska

Department of Banking and Finance
Bureau of Securities/Financial Institutions
Division
1526 K Street, Suite 300
Lincoln, NE 68508-2732
(402) 471-3445

New York

NYS Department of Law
Investor Protection Bureau
Franchise Section
28 Liberty St. 21st Floor
New York, New York 10005
Phone: (212) 416-8236
Fax: (212) 416-6042

North Dakota

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fifth Floor, Dpt 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Oregon

Department of Consumer and Business
Services
Division of Finance and Corporate
Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140
Fax: (503) 947-7862

Rhode Island

Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex-69-1
Cranston, Rhode Island 02920-4407
(401) 462-9527

South Dakota

Department of Insurance
Securities Regulation
124 S. Euclid, 2nd Floor
Pierre, South Dakota 57501-3185
(605) 773-3563
FAX: (605) 773-5953

Texas

Statutory Document Section
Registrations Unit
P.O. Box 12887
Austin, Texas 78711
Street Address:
1719 Brazos
Austin, Texas 78701
(512) 475-1769

Utah

Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
SM Box 146704
Salt Lake City, Utah 84114-6704
(801) 530-6601
Fax: (801) 530-6001

Virginia

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

Washington

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

Wisconsin

Division of Securities
Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701
(608) 266-2801

Federal Trade Commission

Division of Marketing Practices
Bureau of Consumer Protection
Pennsylvania Avenue at 6th Street, NW
Washington, D.C. 20580
(202) 326-3128

**EXHIBIT “G”
TO THE FDD**

TABLE OF CONTENTS FOR OPERATIONS MANUAL

Currently there is not an operations manual.

**EXHIBIT “H”
TO THE FDD**

AREA DEVELOPER AGREEMENT

**LEON COMMERCE CO., LLC
AREA DEVELOPER AGREEMENT**

THIS AREA DEVELOPER AGREEMENT (the “Agreement”) is made and entered into effective the ____ day of _____, 20__ by and between **LEON COMMERCE CO., LLC**, a Utah limited liability company (“We” or “Us” and at times “Franchisor”), and _____, **INC./LLC** a limited liability company/corporation (“You” or “Your” and at times “Area Developer”):

R E C I T A L S:

WHEREAS, We have developed a system for the operation of inline store front restaurants offering specialty burritos, wraps, salads, bowls, and other food related items (hereinafter “Sweeto Burrito™ Business” or “Franchise Business”). The system includes, among other things, specific Marks, design and layout, color schemes, standards, manuals, recipes, operating procedures and marketing concepts, business format, and specifications for certain equipment, the sale of products, food and supply items and confidential information (herein at times the “System” and at times the “Sweeto Burrito™ System”); and

WHEREAS, You are desirous of entering into an agreement with Us so as to be able to obtain the rights to operate a Sweeto Burrito™ Businesses using the System developed by Us; and

WHEREAS, recognizing the value of the System and the benefits which may be obtained by use of the System, You desire to acquire the right to develop and operate multiple Sweeto Burrito™ Units in the Territory described below and pursuant to the terms and conditions of this Agreement; and

WHEREAS, You understand and acknowledge the importance of Our high standards of quality and the necessity of operating Your Franchise Units in strict conformity with Our quality control standards and specifications; and

WHEREAS, You declare You have had a copy of the Sweeto Burrito™ Franchise Disclosure Document for at least 14 calendar days or 10 business days, whichever is applicable, prior to signing this Agreement or making any payment to Us; and

WHEREAS, You declare that You have fully investigated and have familiarized Yourself with the essential aspects and purposes of the System as developed by Us; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meaning assigned to them pursuant to the Franchise Agreement.

NOW THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby agree as follows:

Article 1 - Definitions

1.1 Unless otherwise clearly required by the context, when used in this Agreement the following terms will have the following described meanings:

1.1.1 “Affiliates” Companies affiliated with Us.

1.1.2 “Franchise Agreement” Our Agreement which licenses the right for a person or entity to use Our Marks and System for the operation of a Sweeto Burrito™ restaurant at a single location.

1.1.3 “Franchise” A business that has signed our Franchise Agreement to operate a Franchise Unit in the Territory.

1.1.4 “Franchise Unit” “Unit” or “Franchise Business” A Sweeto Burrito™ Franchise business using the System for which a Sweeto Burrito™ Franchise Agreement has been duly executed.

1.1.5 “Including” Throughout this Agreement, the term “Including” or “Includes” will mean, “including but not limited to”, “Including,” and similar all-inclusive and non-exhaustive meanings.

1.1.6 “Marks” Refers to any and all of Our trademarks, service marks, trade names, logos, slogans, trade dress, color schemes, designs, equipment designs and related commercial symbols whether or not registered by Us and all goodwill related thereto associated with the products or any other business, products and services of the Franchisor or its affiliates.

1.1.7 “Manuals” Refers to one or more operational or policies and procedures manuals, technical bulletins or other written materials and may be modified by Us periodically. The Manuals may be in printed or in an electronic format at Our discretion. We reserve the right to require You to use an electronic version of the Manuals and to require You to access the document using the Internet or an intranet created and supported by Us.

1.1.8 “Owners” Owners refers to You and the owners of any entity owning the Franchise Unit, if any.

1.1.9 “Territory” The non-exclusive geographical area set forth in Exhibit “A” attached hereto and by reference made a part hereof.

Article 2 - Territory Rights

2.1 Rights. Subject to the terms and conditions of this Agreement and the continuing faithful performance by You of Your obligations hereunder, during the term of this Agreement, You have the right and obligation to develop and operate Sweeto Burrito™ Franchise Businesses in the Territory in accordance with the Development Schedule set forth on Exhibit “B” (“Development Schedule”) attached hereto and by reference made a part hereof, utilizing the System and the Marks in the Territory upon execution of a separate Franchise Agreement for each Franchise Business You develop. The Franchise Units will be developed together as a package in accordance with the Development Schedule described in Section 3 below with You as the principal owner. No Franchise Unit may be transferred separately until it is developed, open for business and an individual Franchise Agreement has been signed for that Franchise Unit. You will identify a location for each Franchise Unit and, after the location is accepted by Us, a territory will be set forth in the Franchise Agreement for that Franchise Business. The multi-unit Territory for this Agreement is non-exclusive. We may establish or sell franchises within the multi-unit Territory while this Agreement is in effect without payment of compensation to You. We have the right to reasonably require You to amend the Development Schedule to add additional Franchise Businesses to be developed.

2.2 Character of Rights. The rights set forth herein are territorial only and do not grant or imply any license or franchise for You to use the Marks or System in any manner. This Agreement will not create or grant rights or obligations outside the Territory. Nothing contained herein will prevent Us from granting the right to establish or operate, or Ourselves establishing, owning and operating Sweeto Burrito™ Franchise Businesses or similar operations outside of Your Territory. Furthermore, We and Our affiliates expressly reserve the right to sell market and distribute the Sweeto Burrito™ products in the Territory and elsewhere without compensation to You using other marketing strategies and distribution channels including, but not limited to sales to and through the Internet, direct sales, retail units and wholesale outlets, and to sell non-traditional franchise locations at Our discretion both within and without Your Territory such as convention centers, sporting arenas, airports, or other similar locations. The non-traditional locations We sell will not be counted toward Your development obligations set forth in the Development Schedule. We also reserve the right to use other and different proprietary marks in connection with the sale of franchises, products or services similar to, the same as or dissimilar from those which You will use in Your Franchise Businesses at any location, including in the Territory, without compensation to You. Neither We nor other Area Developers are restricted from advertising their Franchise Business in Your Territory. The rights and privileges granted to You under this Agreement are personal in nature.

2.3 System Modifications. We may, at any time, in Our reasonable discretion, change or modify the System or add to or delete from the System. In such event, We will notify You of any such changes, modifications, additions or deletions, and You will accept, be bound by, use and immediately take steps to implement any such changes in the Territory. We have complete ownership and control of any changes, modifications, enhancements or suggestions whether made or implemented by Us or You.

Article 3 - Development & Term

3.1 Minimum Development Schedule.

3.1.1 You agree to use Your best efforts to develop and continuously operate Your Franchise Units in the Territory in strict compliance with the System and Manuals during the term hereof. Without limiting the foregoing obligation, in order to retain the rights granted hereunder, You agree to open, as Your minimum development obligation hereunder during the term hereof, the number of Sweeto Burrito™ Franchise Units set forth in the Development Schedule. A Franchise Unit will be counted for the purposes of meeting Your development obligation only if it is an open and functioning Franchise Business located within the Territory.

3.1.2 Once the minimum development obligation is reached as set forth in the Development Schedule, You agree to continue to develop and continuously operate Franchise Businesses in the Territory as commercially reasonable during the term of this Agreement. You will be required to purchase any additional franchises at the then current rate for franchisees to purchase additional franchises during the term of their franchise agreement. Currently, the rate is Twenty-Five Thousand Dollars (\$25,000.00) per franchise.

3.2 Franchised Locations. The location of each Franchise Unit will be selected by You, but must be accepted in writing by Us, as further set forth in Your Franchise Agreements which approval will not be unreasonably withheld or delayed. A separate Franchise Agreement must be executed for each Franchise Unit in Your Territory as developed as further provided in Article 5 hereof.

3.3 Failure to Meet the Development Schedule. In the event You fail to meet the Development Schedule or any of Your other development obligations, We have the right to exercise, in addition to the remedies and cure periods set forth in Articles 9 and 10 below, in Our sole discretion, any or all of the following:

1. Terminate this Agreement upon written notice to You as provided in Article 9 hereof;
2. Terminate the territorial exclusivity granted to You;
3. Reduce the size of the Territory; and/or
4. Accelerate the Development Schedule immediately upon written notice.

3.3.1 Time is of the essence with respect to compliance with the Development Schedule, obtaining the right to occupy the premises of each Franchise Unit, and any and all other obligations of Yours under this Agreement. If terminated, You may still continue to own and operate Your individual Franchise Unit(s) in the Territory owned and operated by You prior to termination, so long as You are not in default and continue to faithfully perform the terms and conditions of such Franchise Agreement(s). However, You will cease to have any exclusivity rights with regard to the ongoing development of Franchises in the Territory and You will forfeit any contractual right You may have to purchase additional Franchise Units within the Territory.

3.4 Term. The term of this Agreement is the Development Period set forth on Exhibit “B.”

Article 4 - Fees

4.1 Area Developer Fee. You agree to pay a one-time, non-refundable Area Developer fee of _____ dollars (\$_____) (“Development Fee”) for the development of _____ Franchise Units pursuant to this Agreement. This Development Fee includes the franchise fee for each Franchise Unit contemplated in the Development Schedule, but does not include the franchise fees due to Us if You decide to purchase additional franchises during the term of this Agreement or thereafter.

4.2 Non-Refundable. The Development Fee is not refundable.

Article 5 - Franchise Agreement(s)

5.1 Franchise Agreement. Each Franchise Unit as opened by You in the Territory, pursuant to this Agreement, will be governed by Our then-current standard form Franchise Agreement executed by You and Us. A Franchise Agreement for each Franchise Unit must be executed and delivered to Us at the beginning of the development and prior to commencing construction or improvements, acquisition or lease of any related real property, or any other development activity or operations for each Franchise Unit.

5.2 Modification of the Franchise Agreement. We reserve the right, from time to time, to amend, change or modify Our Franchise Agreement prior to the time it is signed by You.

5.3 Guaranty. You agree that if You are an entity, all of the Owners owning a five percent (5%) or greater interest in the Franchise Business must personally guarantee the performance under each Franchise Agreement, and agree to be bound by, and liable for, the breach of every provision of the Franchise Agreement.

5.4 First Franchise Unit. You acknowledge that the Franchise Agreement governing Your first Franchise Unit to be opened under the Development Schedule is being executed concurrently with this Agreement.

Article 6 - Operating Standards and Covenants

You agree that:

6.1 Knowledge. You will acquire and maintain sufficient knowledge and experience involving the Sweeto Burrito™ System so as to be able in good faith, to develop the Franchise Units in a timely, efficient and professional manner.

6.2 Compliance. You will, at Your expense, comply with all applicable laws, ordinances, rules and regulations pertaining to the development and operation of Your Franchise

Businesses as contemplated herein Including a licenses and/or permit for the operation of Your Franchise Business and requisite food handlers permits.

6.3 Cost of Doing Business. You will be responsible for all Your costs of doing business, Including taxes, permits, licenses, fees, postage, telephone, training, photocopying, employees, supplies, inventory, salaries, travel, on-going service obligations and other costs and expenses in connection with Your obligations herein.

6.4 Franchise Obligations. You agree to pay promptly all of Your obligations and liabilities to Us and Your suppliers, vendors, lessor and trade accounts. You will be responsible and liable for the prompt payment of all of Your taxes, including, but not limited to, income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes and similar taxes and personal property and real estate taxes payable as a result of Your Franchise Business. We will have no liability for these or any other taxes and You will indemnify and hold Us harmless from any such taxes that may be assessed or levied against Us which arise or result from Your Franchise Business.

6.5 Periodic Reports. You agree to provide to Us, no later than the tenth (10th) day of each month, a written monthly progress report of Your preceding month's activities and progress in developing and establishing Franchise Units in Your Territory.

6.6 Your Performance. You must comply with all other duties, obligations and requirements set forth in this Agreement, Your Franchise Agreement(s), and the Manuals.

6.7 Indemnification. You agree to protect, indemnify and hold Us harmless from and against any and all claims, proceedings, expenses, costs, damages and liabilities, including, but not limited to, legal fees incurred by Us or Our officers, directors, members, managers, and agents because of any act, neglect, or omission of Yours or Your employees, customers, agents, or guests Including malfeasance, misstatements made to customers, franchisees or others, nonfeasance, failure to perform, and breach of Your duties and obligations under this Agreement.

Article 7 - Confidential Information

7.1 Confidential Information. Nothing in this Agreement will be construed to require Us to divulge to You any confidential information. Except for knowledge already in Your possession not disclosed to You by Us or currently in the public domain, You acknowledge that Your entire knowledge of the operation of the System and the contemplated Franchise Business, Including the contents of the Manuals, including recipes and recipe books, and the specifications, standards and operating procedures for the Franchise Units, development schedules and marketing plans are derived from information disclosed to You by Us and that such Manuals and such other confidential information is confidential or a trade secret of Ours. You agree that You will maintain the absolute confidentiality of the Manuals and all such other confidential information during and after the term hereof, disclosing the same to employees of Your Franchise Business only to the extent necessary for the operation of the Franchise Businesses in accordance with this Agreement, and that You will not use the System, Manuals and such other confidential or trade secret information in any other business or in any manner not specifically authorized or approved in

writing by Us.

7.2 Confidentiality of this Agreement. You agree that all terms of this Agreement will remain confidential and You will not make any public announcement, issue any press release or publicity, make any confirmation of statements made by third parties concerning the terms of this Agreement, or make any other disclosures without Our prior written consent. It is agreed and understood that You may disclose the terms of this Agreement only to Your professional lenders and advisors.

Article 8 - Marks

8.1 Ownership of Marks. You acknowledge that You have no proprietary interest whatsoever in the Marks or derivatives thereof and that Your right to use the Marks is derived solely from Your Franchise Agreement(s) and is limited to the conduct of Your Franchise Business pursuant to and in compliance with this Agreement and Your Franchise Agreement(s) and all applicable specifications, standards and operating procedures prescribed by Us. Any unauthorized use of the Marks by You constitutes an infringement of Our rights in and to the Marks.

8.2 Use of Marks. You cannot use any of the Marks as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs or symbols, or in any modified form without Our consent, nor may You use any Mark in connection with the sale of any unauthorized products or service or in any other manner not expressly authorized under this Agreement. You agree to obtain such fictitious or assumed name registrations as may be required by Us or applicable law.

Article 9 - Our Right of Termination

9.1 Termination. In addition to the other rights of termination We may have at law or equity or as contained in this Agreement, We will have the following rights of termination:

9.1.1 45 Day Cure Period. If You fail to meet Your development obligations, at any time, as set forth in Article 3 hereof above, Your rights hereunder will automatically terminate effective forty-five (45) days after delivery of notice of default, if not otherwise cured within the forty-five (45) days notice period.

9.1.2 No Cure Period. You agree that upon a violation or default under paragraphs (1) through (7) below, this Agreement will automatically terminate without written notice to You.

1) You or any of Your Owners makes an unauthorized assignment of this Agreement or any ownership change without Our consent, which consent will not be unreasonably withheld or delayed;

2) You or any of Your Owners take action, commit, are convicted of, plead guilty to, or plead no contest to a charge of violating any felony law or other crime, action or offense that We believe is reasonably likely to have an adverse effect on Your Franchise Units or the System;

3) You consistently (2 or more times) fail to timely pay any of Your payment obligations or liabilities owing to Us;

4) You are insolvent or a party to any bankruptcy, receivership or similar proceeding, other than as a creditor, file for bankruptcy or receivership or similar protection or You are adjudicated bankrupt;

5) You make an assignment for the benefit of creditors or enter into any similar arrangement for the disposition of Your assets for the benefit of creditors;

6) You voluntarily or otherwise abandon the development of the Franchise Units in the Territory hereunder;

7) You repeatedly fail to materially comply with this Agreement, whether or not such failures to comply are corrected after notice thereof.

9.1.3 30 – Day Cure Period. For all other defaults Including Your failure to cure any default under any Franchise Agreement owned by You or Your officers, directors, members, managers, owners or an affiliated entity, We will have the right to terminate this Agreement effective upon thirty (30) days after delivery of notice of termination to You if such default is not cured within the thirty (30) day cure period.

Article 10 - Obligations Upon Termination or Expiration

10.1 Our Rights Upon Termination. Upon expiration or termination of this Agreement, for any reason, Your rights under this Agreement are terminated. We will be free to own or operate Sweeto Burrito™ Franchise Businesses and to franchise others to do so anywhere in the Territory other than in locations for which You have an existing signed and fully compliant Franchise Agreement. The foregoing are in addition to any other right or remedy We may have at law or in equity.

10.2 Operating Units. After termination or expiration of this Agreement, so long as You are not in default under the terms and conditions of Your respective Franchise Agreement(s), You may continue as Our Franchisee pursuant to the terms and conditions of Your respective fully compliant Franchise Agreement(s), You may still continue to own and operate Your individual Franchise Units in the Territory that are owned and operated by You prior to termination, so long as You are not in default and continue to faithfully perform the terms and conditions of such Franchise Agreement(s). However, You will cease to have any exclusivity rights with regard to the ongoing development of Franchises in the Territory, and You will forfeit any contractual right You may have to purchase additional Franchise Units within the Territory.

10.3 Cross Default. If any Franchise Agreement for one of Your Franchise Businesses is terminated for any reason, We will have the right to terminate this Agreement upon written notice to You.

Article 11 - Unfair Competition and Non-Competition Covenant

11.1 In-Term Covenant. During the term of this Agreement and any extensions hereof, You agree that neither You nor Your family, nor any shareholders, owners, partners, directors, members, managers, officers, agents, affiliates, principal employees, nor any partner in a partnership franchise, will own, operate, lease, franchise, conduct, consult with, engage in, be connected with, have any interest in, or assist any person or entity engaged in or on its own account or as an employee, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership, or corporation engaged in any business offering products or services the same as or substantially similar to Your Franchise Businesses or the System in any capacity or location, except with Our prior written consent. You understand and acknowledge that to violate this Section will create irreparable harm.

11.2 Post-Term Covenant. Upon termination or expiration of this Agreement, and for a continuous, uninterrupted period of two (2) years thereafter, neither You, nor Your family, nor any of principals members, owners, partners, managers, officers, directors, agents, affiliates or principal employees, will, directly or indirectly, participate as an owner, operator, shareholder, director, partner, member, manager, consultant, agent, employee, advisor, officer, lessor, lessee, franchisor, Area Developer or serve in any other capacity whatsoever or have any interest in or assist any person or entity in any business, firm, entity, partnership or company engaged in a business using a business format which is the same as or similar to Franchisor's System within Your Territory or within a thirty (30) mile radius of Your Territory or the territory of any System franchise or Sweeto Burrito™ business operation at the time of termination or expiration of this Agreement. The ownership of not more than five percent (5%) of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

11.3 In the event You compete during the term of non-competition, this non-compete time period will be extended for the period of Your competition plus an additional six (6) months.

11.4 Enforceability. It is the desire and intent of the parties to this Agreement that the provisions of this Article 11 be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article shall be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable, and such deletion to apply only with respect to the operation of that Section or Paragraph and the particular jurisdiction in which said adjudication is made. Further, to the extent any provision of this Agreement is deemed to be unenforceable by virtue of its scope, but may be made enforceable by limitation, the parties agree that the same will, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

11.5 Claims Not a Defense. You expressly agree that the existence of any claims You may have against Us, whether or not arising from this Agreement, will not constitute a defense to Our ability to enforce the covenants of this Article 11. You agree to pay all costs and expenses, Including reasonable attorney's fees, incurred by Us in connection with the enforcement of this Article 11.

11.6 Irreparable Injury. You acknowledge that Your violation of the terms of this Article 11 would result in irreparable injury to Us for which no adequate remedy at law may be available.

You accordingly agree that We will be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by any or all any of the terms of this Article 11 without proof of actual damages that have been or may be caused to Us by such breach.

11.7 Additional Covenants. At Our request, You must require and obtain execution of covenants similar to those set forth in this Article 11 from any or all of the following persons: (a) all owners, partners, directors and managers and the like of Your Franchise Businesses; (b) all officers, directors, members, managers and holders of a beneficial interest of five percent (5%) or more of any corporation directly or indirectly controlling You if You are an entity; and (c) the general partners and any limited partners if You are a partnership. All covenants required herein must be in forms satisfactory to Us, Including specific identification of Us as a third party beneficiary of such covenants with the independent right to enforce them. Your failure to obtain execution of a covenant required herein will constitute a default of this Agreement.

Article 12 - Assignment

12.1 By Franchisor. This Agreement is fully assignable and transferrable by Us and will inure to the benefit of any assignee, transferee, or other legal renewal to Our interests and obligations herein.

12.2 By Area Developer and Your Owners. You understand and acknowledge that the rights and duties created by this Agreement are personal to You and that We have granted this Agreement in reliance upon Your agreement to comply with all the terms and conditions of this Agreement, and Your individual character, skill, aptitude, attitude, business ability and financial capacity. Therefore:

12.2.1 Neither this Agreement nor any interest therein may be voluntarily, involuntarily, directly or indirectly, assigned, sold or otherwise transferred, by You or Your Owners, Including by consolidation or merger, or by issuance of securities representing an ownership interest, without Our prior written approval, which approval will not be unreasonably withheld.

12.2.2 Any such assignment or transfer without such approval will constitute a breach hereof and will not convey any rights to or interests in this Agreement to such assignee.

12.2.3 Consent to an assignment otherwise permissible under this Article 12 may be refused by Us, unless, prior to the effective date of the assignment: (a) all of Your obligations incurred in connection with this Agreement have been assumed by the assignee; (b) You have paid fees and other amounts owing Us; (c) the assignee or its owners meet Our criteria for new area developers ; (d) the assignee or its owners have completed the training program required of new Area Developer and are willing to execute and be bound by the then current Area Developer Agreement; (e) You or Your assignee have paid a transfer fee to Us to cover Our administrative, and legal expenses incurred in connection with such assignment in an amount equal to five thousand dollars (\$5,000); (f) You or Your assignee have paid a training fee at Our then current rate to cover training expenses; and (g) You and Your Owners, representatives, and/or agents have signed a general release in Our favor.

12.2.4 You must remain liable for all direct and indirect obligations under this Agreement and Your Franchise Units prior to the effective date of the transfer and will continue to remain responsible for Your obligations of nondisclosure, noncompetition and indemnification as provided in the Franchise Agreements, and must execute any and all instruments reasonably requested by Us to evidence such liability.

12.2.5 Any assignment, transfer or other disposition by You of a single-unit Franchise Business within the Territory will be governed by the Franchise Agreement to which such single-unit Franchise Business is bound.

12.2.6 Transfers to Competitors Prohibited. In order to maintain the confidentiality of the proprietary information of the System, You agree that as a condition to becoming a Sweeto Burrito™ Area Developer, neither You or any of Your owners, partners, members, managers, officers or directors, may sell, transfer, assign or pledge any part of this Franchise Agreement or any part of his or her ownership in Your entity, if applicable, to a competitor of Ours or an affiliate of a competitor of Ours without Our written permission. Any such sale, transfer, assignment or pledge without Our written approval will be considered void ab initio.

12.3 Right of First Refusal of the Franchisor. If You or Your Owners, at any time determine to sell, assign or transfer, this Agreement, or an interest therein, or an ownership interest in Your Entity of more than forty percent (40%), then You or Your Owners must obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and must submit an exact copy of such offer to Us. We will have the right, exercisable by written notice delivered to You or Your Owners within sixty (60) days from the date of delivery of an exact copy of such offer to Us, to purchase this Agreement and the development rights thereunder, or such interest in this Agreement, or such ownership interest in You for the price and on the terms and conditions contained in such offer, provided that We may substitute cash for any form of payment proposed in such offer and We will have not less than sixty (60) days from the date We give notice to You of Our intent to purchase, to prepare for closing. If We do not exercise Our right of first refusal, You or Your Owners may complete the sale to such purchaser pursuant to and on the terms of such offer, provided that if the sale to such purchaser is not completed within one hundred fifty (150) days after delivery of such offer to Us, or if there is a material change in the terms of the sale that are less beneficial to You, We will again have the right of first refusal upon the terms and conditions herein provided.

12.3.1 In the event You wish to publicly offer Your shares in any partnership or corporation which has an ownership interest in You, said public offering will be subject to the approval by Us, which approval will not be unreasonably withheld.

12.3.2 Each shareholder or member of Your entity, if You are a corporation or other business entity, must be a party to an agreement which will provide, inter alia, that upon any dissolution of the corporation or other business entity, or upon any divorce decree among the parties who are also owners, that ownership of the ownership interest will be transferred to the other owner, for agreed upon consideration, which has primary responsibility for sales and

marketing activities, typically the president, or manager following any such dissolution or decree. The form and content of the shareholders agreement must be approved by Us prior to execution.

Article 13 - Notices

13.1 Notices. All notices permitted or required under this Agreement must be in writing and will be delivered as follows with notice deemed given as indicated (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission, during normal business hours, Monday through Friday, holidays excepted, when confirmed by telecopier or facsimile transmission; (iv) through the email address below or other authorized email address when confirmed by receipt verifications, which confirmation cannot be withheld or otherwise denied; or (v) by certified or registered mail, return receipt requested, three (3) days after deposit in the mail addressed as follows:

Franchisor: **LEON COMMERCE CO., LLC**
930 Chambers Street
Suite 7
Ogden, Utah 84403
Miguel@SweetoBurrito.com

Area Developer: _____

Section 14 - Representations

14.1 Your Efforts. You understand that the success or failure of the development of Franchise Units in the Territory and the Franchise Units depends, in major part, upon Your efforts.

YOU REPRESENT, COVENANT, AND AGREE THAT WE HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING INCOME GUARANTEES, PROJECTIONS, AND WE DISCLAIM ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE POTENTIAL SUCCESS OF YOUR BUSINESS OPERATIONS UNDER THIS AGREEMENT. YOU ACKNOWLEDGE AND AGREE THAT AS OF THE DATE OF THIS AGREEMENT YOU HAVE HAD NO KNOWLEDGE OF ANY REPRESENTATION MADE BY US OR OUR REPRESENTATIVES OF ANY INFORMATION THAT IS CONTRARY TO THE TERMS CONTAINED HEREIN.

14.2 Receipt of FDD. You represent that You have had a copy of the Sweeto Burrito™ Franchise Disclosure Document for at least 14 calendar days or 10 business days, whichever is applicable, prior to signing this Agreement or making any payment to Us, and during which time You had the opportunity to submit the Franchise Disclosure for review by legal counsel.

Article 15 - Disputes

15.1 Quick Resolution. You and We understand that there is always a possibility of differences of opinion or other disagreements in any business relationship and agree that it is important to resolve any disputes amicably, quickly, inexpensively and professionally and to return to business as soon as possible.

15.2 Manner of Handling Disputes. You and We agree that except as otherwise expressly provided for herein, in the event any controversy, dispute or claim whatsoever (“Dispute”) arises between Us or Our subsidiaries, parents and affiliates and each of Our respective shareholders, managers, officers, directors, members, agents, employees and attorneys (in their representative capacity), if applicable, and You or Your entity owners, guarantors and employees, officers, directors, members, managers, agents, and attorneys (in their representative capacity), if applicable, in connection with, arising from, or with respect to, any provision hereof, the relationship created herein, or the validity of this Agreement or any provision hereof, or the offer and sale to You, such Dispute will be:

15.2.1 Face-to-Face Meeting. First discussed in a face-to-face meeting between You and Us at Our then-current headquarters and within thirty (30) days after either You or We give written notice to the other proposing such a meeting. We have the right, in Our sole discretion, to waive this requirement.

15.2.2 Mediation. If, in the opinion of either You or Us, the face-to-face meeting requirement has not successfully resolved such matters and if desired by either You or Us, the matters will be submitted to non-binding mediation before Franchise Arbitration and Mediation Services (“FAM”) or as otherwise mutually agreed. The mediation will be conducted exclusively in Salt Lake City, Utah. On election by either party, litigation as provided below may proceed forward at the same time as mediation. The mediator will be disqualified as a witness, consultant, expert or counsel for any party with respect to the Dispute and any related matters.

15.2.3 Legal Proceeding. If the mediation has not resolved the matter successfully, or mediation is waived, either You or We may institute a legal suit, action, or proceeding, exclusively in Salt Lake City, Utah, against the other party to enforce this Agreement or obtain any other remedy regarding any breach of this Agreement. The prevailing party in the suit, action, or proceeding is entitled to receive, and the non-prevailing party shall pay, in addition to all other remedies to which the prevailing party may be entitled, the costs and expenses incurred by the prevailing party in conducting the suit, action, or proceeding, including attorneys’ fees and expenses and court costs, even if not recoverable by law, Including all fees, taxes, costs, and expenses incident to appellate and post-judgment proceedings.

(i) Individual Disputes. Any Dispute and any litigation, will be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or similar basis between You and Us and will not be consolidated with any other litigation proceeding involving Us and any other person, except that with respect to a dispute involving You and Your affiliate, You and Your affiliate may both be parties to the litigation.

(ii) Agreed Limitations. Except for payments owed by one party to the other, or claims attributable to Your underreporting of sales, any legal action proceeding (Including the offer and sale of a franchise to You) brought or instituted with respect to any Dispute hereunder must be brought or instituted within a period of one (1) year from the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; provided that no claim may be brought more than two (2) years after the first act or omission giving rise to an alleged claim.

(iii) No Special Damages. You and We waive any right or claim of any consequential, punitive or exemplary damages against each other and agree that in the event of a Dispute between You and Us, each will be limited to the recovery of actual damages sustained. You agree that We will not be liable for any act or omission which is consistent with this Agreement or which is done in subjective good faith.

(iv) Exceptions to Mediation. You and We agree that nothing in this Agreement obligates Us to mediate Disputes or issues relating to: a) the validity of Our Marks, or other Intellectual Property; b) rights to obtain a writ of attachment or other prejudgment remedies; c) rights to receive and enforce a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief; or (d) Disputes solely for fees and other monies owed by one party to the other under this Agreement not in connection with other Disputes.

(v) Sharing of Fees. The parties to the Dispute will share the expenses equally and pay for their own fees, except for appeal fees shall be paid by the party requesting the appeal. The prevailing party in any litigation or mediation, Including appeals, will be awarded attorney's fees and costs.

Article 16 – General Provisions

16.1 Severability. Except as expressly provided to the contrary herein, each section, paragraph, term and provision of this Agreement, and any portion thereof, will be considered severable.

16.2 Governing Law and Jurisdiction. This Agreement will be governed, construed, and interpreted in accordance with the laws of the State of Utah without giving effect to its conflicts of law provisions. You and We agree that the provisions of this Agreement will control the state or provincial laws by which this Agreement will be governed and any provisions of state or provincial law to the contrary or any statements in Our franchise disclosure document or otherwise required as a condition of registration or otherwise. If the governing law requires terms other than or in addition to those in this Agreement, then such terms will be deemed incorporated herein, but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability. To the extent permitted by the laws of the state whose laws govern this Agreement, You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect. In order to facilitate our joint interests in having franchise issues determined in a consistent manner for application throughout the System, without in any way limiting or otherwise affecting Your and Our obligations regarding mediation and litigation in accordance with the provisions of Article

15, if there is any litigation between us, You and We hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the State of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake County, State of Utah will be the exclusive venue for any litigation between Us. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Salt Lake County, State of Utah.

16.3 Waiver of Obligations. You and We will not be deemed to have waived or impaired any right, power or option reserved by this Agreement Including the right to demand exact compliance with every term, condition and covenant herein, or to declare any breach thereof to be a default and to terminate this Agreement prior to the expiration of its term), by virtue of any custom or practice of the parties at variance with the terms hereof or any failure, refusal or neglect of Us or You to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations hereunder.

16.4 No Off-Sets or Withholdings. You covenant and agree that You will not offset nor withhold the payment of any fees or other amounts due to Us or Our affiliates or suppliers on grounds of the alleged non-performance by Us of any of Our covenants or obligations hereunder, any dispute of any nature or otherwise.

16.5 Cumulative Remedies. Rights hereunder are cumulative and no exercise or enforcement of any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy hereunder which You or Us are entitled by law or equity to enforce. Nothing herein contained will be interpreted as to bar or waive Our right to obtain any remedy available at law or in equity including injunctive relief.

16.6 Costs and Attorney's Fees. If a claim for amounts owed by You to Us is asserted in any legal proceeding before a court of competent jurisdiction, or if We or You are required to enforce this Agreement in a judicial or arbitration proceeding, the Prevailing Party in such proceeding will be entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees. For purposes of this Agreement, "Prevailing Party" Includes, the Party which obtains a judgment in their favor, or agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or which obtains substantially the relief sought.

16.7 Binding Effect. This Agreement will be binding upon the parties hereto and their respective assigns and renewals in interest, and cannot be modified except by written agreement signed by both Us and You.

16.8 Entire Agreement. This Agreement, including preambles and exhibit(s) to this Agreement, if any, are a part of this Agreement, which constitutes the entire agreement of the parties relating to the subject matter herein, and there are no other oral or written understandings or agreements between You and Us relating to the subject matter of this Agreement. No modification of the terms of this Agreement will be valid unless made in writing and executed by both Us and You. Except as otherwise expressly provided herein, nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not

a party hereto. Nothing in this Agreement or in any related agreement is intended to disclaim of the representations We made in the Franchise Disclosure Document.

16.9 Interpretation of Agreement. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers. The Subsection headings and title of this Agreement are not part of this Agreement, having been inserted for convenience of reference only, and will have no effect upon the construction or interpretation of this Agreement. Time is of the essence in this Agreement.

16.10 Relationship of the Parties. In all matters, You are an independent contractor. Nothing in this Agreement constitutes You as Our partner, agent, nor joint venture with Us and this Agreement does not create a fiduciary relationship between You and Us. Neither party may act or have the authority to act as agent for the other, and neither party is liable for the debts, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors or omissions of the other. You acknowledge that You do not have authority to incur any obligations, responsibilities or liabilities on behalf of Us, or to bind Us by any representations or warranties, and You agree not to hold Yourself out as having such authority.

16.11 Counterparts. This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed or scanned and emailed signature page or similar electronic means, each of which will be deemed an original, but all of which together will constitute one and the same document.

IN WITNESS WHEREOF, We and You have respectively signed and sealed this Agreement as of the day and year first above written.

FRANCHISOR:

AREA DEVELOPER:

LEON COMMERCE Co., LLC

_____ (LLC/INC.)

By: _____
(Signature)

(Signature)

Name: _____

Title: _____

(Print Name)

**EXHIBIT “A”
TO THE AREA DEVELOPER AGREEMENT**

The Territory* will consist of the following area: _____

_____.

Our approval of the Territory or a location is not a guarantee or a warranty of the potential
success of the Territory or a location.

Area Developer Initial and Date

Franchisor Initial and Date

EXHIBIT “A-1”

MAP OF TERRITORY

Area Developer Initial and Date

Franchisor Initial and Date

**EXHIBIT “B”
TO THE AREA DEVELOPER AGREEMENT**

**FRANCHISE UNIT
DEVELOPMENT SCHEDULE**

Units to be Opened
Pursuant to this Agreement

Minimum Time for
Units to be Opened from the
date of this Agreement

1	_____ days
2	_____ days
3	_____ days
4	_____ days
5	_____ days
TOTAL:	_____ Units will be opened no later than _____ days from the date of this Agreement

Area Developer Initial and Date

Franchisor Initial and Date

**ADDENDUM TO AREA DEVELOPMENT AGREEMENT
FOR THE COMMONWEALTH OF VIRGINIA**

Additional Disclosure. The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

Item 5 of the FDD and Article 4 of the Area Development Agreement are amended to include the following:

“The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to establish an escrow account to hold all development fees and other initial payments owed by franchisees to us until we have completed our pre-opening obligations under the development agreement.”

**EXHIBIT “I”
TO THE FDD
RELEASE AGREEMENT**

RELEASE AGREEMENT

This Release Agreement ("Agreement") by and between **LEON COMMERCE CO., LLC, a Utah limited liability company** (herein "Franchisor") and _____, **LLC/INC., a _____ limited liability company/corporation** ("Franchisee"), and _____, _____, _____ (jointly and severally herein "Personal Guarantors"). The above will collectively at times be referred to as "Parties" and individually as "Party." Capitalized terms used herein will have the meanings set forth in the Franchise Agreement, unless defined otherwise herein.

RECITALS

WHEREAS, Franchisee entered into a Sweeto Burrito™ franchise agreement dated effective as of _____, 20____ with Franchisor (the "Franchise Agreement") which was personally guaranteed by the Personal Guarantors; and

WHEREAS, the Franchise Agreement has been terminated as of the ____ day of _____, 20____.

NOW THEREFORE, In consideration of the premises and other provisions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisor, Franchisee, and Personal Guarantors hereby agree as follows:

1. Franchisee and Personal Guarantors hereby, fully and irrevocably, release, acquit and forever discharge Franchisor and its successors, representatives, affiliates, directors, officers, members, managers, employees, shareholders, and agents and each of them, individually and collectively, of and from any and all claims, demands, obligations, causes of action, suits or liabilities of any kind and nature, whatsoever, whether known or unknown, suspected or unsuspected, and in whatever legal theory or form which Franchisee and Personal Guarantors have or claim to have, or at any time heretofore, had or claimed to have had, or which may hereafter accrue or arise, against Franchisor, its successors, affiliates, directors, officers, shareholders, employees and agents, and each of them, by reason of, or in any way connected with the Franchise Agreement, the relationship described therein and any business transaction, agreement or occurrence, act or omission relating thereto prior to the date hereof. Franchisee and Personal Guarantors further waive any and all state law provisions limiting the effect of a general release.

2. Franchisee and Personal Guarantors represent that each of them fully understands the broad coverage of the release provisions of this Agreement, and that they execute the same with respect to all claims, causes of action and demands, as set forth above, they have or may have against the Franchisor, fully intending that the provisions hereof be given the broadest interpretation permitted by law or the English language. Franchisee and Personal Guarantors acknowledge and expressly agree that they will make no claim, and hereby waive any right they may now have, or may hereafter have, based upon any alleged oral or written alteration, amendment, or modification of this Agreement, fully waiving any right they may have to refer to

extrinsic matters in the interpretation hereof, whether to establish fraud, duress, mistake, undue influence, or for any other purpose.

These releases are intended to waive, release and discharge all claims, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of their respective counsel, waive the benefit of both statute and other legal doctrine or principle of similar effect in any jurisdiction.

3. This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for, an injunction against any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement.

4. Nothing in this Agreement releases Personal Guarantor(s) or Franchisee from their obligations under the non-competition clauses of the Franchise Agreement or their Non-Competition Agreements signed with Franchisor.

5. Miscellaneous.

5.1 Cooperation. Franchisee and Personal Guarantors will make, execute and deliver to Franchisor, promptly upon request and without additional consideration, any document or instrument necessary to carry out and effectuate the purposes of this Agreement.

5.2 Choice of Law and Jurisdiction. This Agreement will be construed in accordance with and all disputes hereunder will be governed by the laws of the State of Utah without giving effect to its conflicts of law provisions. Franchisee, Personal Guarantor(s), and Franchisor hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the State of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake City, Utah will be the exclusive venue for any litigation between us. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Utah.

5.3 Amending this Agreement. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

5.4 Company Authority. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

5.5 Binding Agreement. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns.

5.6 Confidentiality. Both Parties agree to maintain this agreement, the terms hereof, and any and all information obtained or provided by either Party in order to initiate a contractual relationship, in the strictest of confidence.

5.7 Counterparts. This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed, emailed pdf or other electronically delivered signature page, each of which will be deemed an original, but all of which together will constitute one and the same document; notwithstanding, in due course, all original documentation will be forwarded to Franchisor and each party will be provided with a fully executed Agreement.

5.8 Entire Agreement. This Agreement contains the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements between the Parties are hereby terminated with no continuing duties or obligations on the part of the other Party.

5.9 Headings and Gender. Words in the masculine gender include the feminine and neuter. Use of the singular includes the appropriate plural numbers. The paragraph headings and title of this Agreement are not part of this Agreement, having been inserted for convenience of reference only, and will have no effect upon the construction or interpretation of this Agreement.

5.10 Enforceability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, not be effective to the extent of such prohibition, but such prohibition will not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction.

6. This Agreement will be effective when signed by all of the Parties in the appropriate places indicated below. The date of this Agreement will be deemed to be the date on which the last signature is obtained.

7. Each of the Parties acknowledge that they have carefully read the foregoing Agreement and know and understand the contents of this Agreement, have been represented by counsel or had the opportunity to be represented by counsel, and sign this Agreement as their own free act, fully intending to be legally bound thereby.

(Remainder of page intentionally left blank; signatures to follow)

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement. This Agreement will be effective when signed by all of the parties in the appropriate places indicated below. The date of this Agreement will be deemed to be the date on which the last signature is obtained.

FRANCHISOR:
LEON COMMERCE Co., LLC
a Utah limited liability company

FRANCHISEE:
_____, Inc/LLC
(entity name)

By: _____
Its: _____

By: _____
Its: _____

Date: _____

Date: _____

PERSONAL GUARANTORS:

By: _____
(print name) _____, personally

By: _____
(print name) _____, personally

Date: _____

Date: _____

By: _____
(print name) _____, personally

By: _____
(print name) _____, personally

Date: _____

Date: _____

**EXHIBIT “J”
TO THE FDD**

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 Dates stated below:

STATE	EFFECTIVE DATE
California	
Virginia	
Washington	

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.

RECEIPT

(Franchisee's Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Leon Commerce Co., LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Leon Commerce Co., LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "F".

The franchisor is Leon Commerce Co., LLC, located at 930 Chambers Street, STE 7, Ogden, UT 84403. Its telephone number is (801) 668-2594.

The issuance date of this disclosure document is June 10, 2021.

The franchise sellers for this offering are the following (mark the box of the franchise seller(s) you worked with):

	Name	Address	Phone
	Miguel Hernandez	930 Chambers Street, STE 7, Ogden, UT 84403	(801) 668-2594
	Paul Cryer	930 Chambers Street, STE 7, Ogden, UT 84403	(307) 713 7285

Leon Commerce Co., LLC authorizes the respective state agencies identified on Exhibit "E" to receive service of process for it in the particular state.

I received a disclosure document dated June 10, 2021 that included the following Exhibits:

- | | |
|---|---|
| A. Franchise Agreement and Its Exhibits | B. Statement of Prospective Franchisee |
| A-1 Territory | C. Financial Statements |
| A-2 Company Reps and Warranties | D. Schedule of Franchisees |
| A-3 Principal Non-Compete Agreement | E. List of Agents for Service of Process |
| A-4 Employee Non-Compete Agreement | F. List of State Agencies responsible for Franchise Disclosure and Registration Law |
| A-5 Principal Confidential Recipe Agreement | G. Table of Contents for Operations Manual |
| A-6 Employee Confidential Recipe Agreement | H. Area Developer Agreement |
| A-7 Landlords Consent | I. Release Agreement |
| A-8 Site Location Agreement | J. Receipts |
| A-9 ACH Form | |
| A-10 State Addenda | |

Everyone who received a copy of this FDD should sign. (Print multiple copies if additional signatures are needed.):

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

(If signing for a company)

(If signing for a company)

Date: _____

Date: _____

You must sign and date this receipt. Please return the signed and dated receipt either by mailing it to Leon Commerce Co., LLC, at 930 Chambers Street, STE 7, Ogden, UT 84403, or by emailing a copy to miguel@sweetoburrito.com. You should keep a copy for your records.

RECEIPT

(Franchisor's Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Leon Commerce Co., LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Leon Commerce Co., LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "F".

The franchisor is Leon Commerce Co., LLC, located at 930 Chambers Street, STE 7, Ogden, UT 84403. Its telephone number is (801) 668-2594.

The issuance date of this disclosure document is June 10, 2021.

The franchise sellers for this offering are the following (mark the box of the franchise seller(s) you worked with):

	Name	Address	Phone
	Miguel Hernandez	930 Chambers Street, STE 7, Ogden, UT 84403	(801) 668-2594
	Paul Cryer	930 Chambers Street, STE 7, Ogden, UT 84403	(307) 713 7285

Leon Commerce Co., LLC authorizes the respective state agencies identified on Exhibit "E" to receive service of process for it in the particular state.

I received a disclosure document dated June 10, 2021 that included the following Exhibits:

- | | |
|---|---|
| A. Franchise Agreement and Its Exhibits | B. Statement of Prospective Franchisee |
| A-1 Territory | C. Financial Statements |
| A-2 Company Reps and Warranties | D. Schedule of Franchisees |
| A-3 Principal Non-Compete Agreement | E. List of Agents for Service of Process |
| A-4 Employee Non-Compete Agreement | F. List of State Agencies responsible for Franchise Disclosure and Registration Law |
| A-5 Principal Confidential Recipe Agreement | G. Table of Contents for Operations Manual |
| A-6 Employee Confidential Recipe Agreement | H. Area Developer Agreement |
| A-7 Landlords Consent | I. Release Agreement |
| A-8 Site Location Agreement | J. Receipts |
| A-9 ACH Form | |
| A-10 State Addenda | |

Everyone who received a copy of this FDD should sign. (Print multiple copies if additional signatures are needed.):

Signature: _____

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