FRANCHISE DISCLOSURE DOCUMENT
(BUSINESS WITHIN A BUSINESS)

FRANCHISE DISCLOSURE DOCUMENT

	BluTaco Franchising, LLC A Delaware Limited Liability Company 120 Commerce Drive Holts Summit, Missouri 65043 (573) 896-2500 sjb@pfsbrands.com www.blutaco.com

The franchisee will operate a BluTaco restaurant within an existing business the franchisee operates, like a grocery store or convenience store. The restaurant will offer a variety of tacos, burritos, breakfast items, other menu items, beverages, merchandise, and miscellaneous items we designate. (the "BluTaco Products and Services").

The total investment necessary to begin operation of a BluTaco franchise within an existing business is $9,000 to $632,000. This includes $4,500 to $130,000 that must be paid to the franchisor or its affiliate(s).

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 its parent in connection with 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 Shawn Burcham at 120 Commerce Drive, Holts Summit, Missouri 65043 and (573) 896-2500.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov 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: March 31, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying 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 or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F.
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 E 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 BluTaco Restaurant 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 BluTaco Franchisee?	Item 20 or Exhibit F 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 D.

Your state also may have laws that require special disclosures or amendments 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**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only Missouri. 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 litigation with the franchisor in Missouri that in your own state.

2. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

3. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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

TABLE OF CONTENTS

ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES 1
ITEM 2. BUSINESS EXPERIENCE 3
ITEM 3. LITIGATION 7
ITEM 4. BANKRUPTCY 7
ITEM 5. INITIAL FEES 7
ITEM 6. OTHER FEES 8
ITEM 7. ESTIMATED INITIAL INVESTMENT 13
ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES 15
ITEM 9. FRANCHISEE'S OBLIGATIONS 17
ITEM 10. FINANCING 19
ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING 19
ITEM 12. TERRITORY 29
ITEM 13. TRADEMARKS 30
ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION 33
ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 34
ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 35
ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION 35
ITEM 18. PUBLIC FIGURES 38
ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS 38
ITEM 20. OUTLETS AND FRANCHISEE INFORMATION 39
ITEM 21. FINANCIAL STATEMENTS 43
ITEM 22. CONTRACTS 43
ITEM 23. RECEIPTS 43

EXHIBITS

Exhibit/Schedules		**Page**
Exhibit A - Franchise Agreement		A-1
Exhibit B		B-1
B-1 - Gold Addendum		
B-2 – Silver Addendum		
Exhibit C - State Regulations and Requirements Addendum		C-1
Exhibit D - State Administrators and Agents for Service of Process		D-1
Exhibit E- Financial Statements		E-1
Exhibit F - Franchised Outlets		F-1
Exhibit G - Confidential Operations Manual Table of Contents		G-1
Exhibit H - Form of Release, Estoppel, Covenant Not to Sue, and Indemnification		H-1
Exhibit I – BluTaco Acknowledgment Statement		I-1
Exhibit J - Disclosure Document Receipts		J-1

ITEM 1.

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The franchisor is BluTaco Franchising, LLC, referred to in this disclosure document as "Franchisor", "we," "us," "our," the "Company," or "BluTaco." We refer to the person interested in buying a franchise as "you" or "your". If you are a corporation, partnership, limited liability company, or other entity, certain provisions of the franchise will apply to your owners. These are addressed in this disclosure document where appropriate.

Our principal business address is 120 Commerce Drive, Holts Summit, Missouri 65043. We are a Delaware limited liability company, organized on October 26, 2017. We do business under our corporate name and under the trade name and trade mark, "BluTaco".

We began offering franchises in February 2018.

We grant franchises (the "Franchises") for the establishment and operation of BluTaco Restaurants featuring a wide variety of tacos, burritos, breakfast items, and other menu items (the "Restaurants" or the "BluTaco Restaurants").

We do not own or operate BluTaco Restaurants, although we reserve the right to do so.

We do not operate, franchise, or have plans to operate or franchise, a business under a different trademark, that is similar to the type of business to be operated by you.

We have not offered franchises in any other line of business.

The principal business address of our agents for service of process is 1209 Orange St Wilmington New Castle Delaware 19801, and the state agency addresses shown on Exhibit D.

Parent and Affiliates

Our parent is Pro Food Systems, Inc., a Missouri corporation, was formed on July 13, 1998, and its principal business address is 170 Commerce Drive, Holts Summit, Missouri 65043. We refer to Pro Food Systems, Inc. as "Pro Food Systems" or "Parent" and Franchisor is a wholly-owned subsidiary of Parent.

From 1999 to 2013, Pro Food Systems offered licenses for the establishment and operation of restaurants within an existing business using the "Champs Chicken" trademark, offering and selling products and services that are food related, but different than the BluTaco products and services you will offer at your Restaurant. Pro Food Systems is the only approved supplier for all products and inventory sold by the Franchisee. They also supply the necessary equipment for a franchised outlet along with other approved suppliers.

In January 2015, Pro Food Systems began offering licenses for the establishment and operation of restaurants within an existing business using the "Cooper's Express®" trademark, offering and selling products and services that are food related, but different than the BluTaco Products and Services you will offer at your Restaurant. Pro Food Systems expects to expand the Cooper's Express program. Pro Food Systems currently has 309 licensees who use the Cooper's Express® trademark and continues to offer this license agreement.

In June 2015, our affiliate, Champs Chicken Franchising, LLC, began offering franchises for the establishment and operation of restaurants within an existing business using the "Champs Chicken®" trademark, offering and selling products and services that are food related, but different than the BluTaco Products and Services you will offer at your Restaurant. Champs Chicken Franchising, LLC continues to offer franchises of this type. Our affiliate has not offered franchises in any other line of business.

Pro Food Systems also authorizes outlets to use the "Hot Mex Express®" trademarks. Pro Food Systems expects to expand the Hot Mex Express program. Hot Mex Express outlets are generally located within an existing business. They are owned and operated by Pro Food Systems' licensees. Pro Food Systems currently has 22 licensees who use the Hot Mex Express® trademark.

We also have an affilitate called Hangar 54 Pizza Franchising, LLC that franchises restaurants under the name Hangar 54 Pizza Restaurants, featuring pizza products and other menu items. Pro Food Systems also authorizes outlets to use the "Wingman Pizza®" trademarks. Pro Food Systems expects to expand the Wingman Pizza program. Wingman Pizza outlets are generally located within an existing business. They are owned and operated by Pro Food Systems' licensees. Pro Food Systems currently has 243 licensees who use the Wingman Pizza® trademark.

Except as described above, our parent and our affiliate do not operate, franchise, or have plans to operate or franchise, a business under a different trademark that is similar to the type of business to be operated by you.

Our Predecessor

We do not have a predecessor.

Our Business and the Franchises Offered

BluTaco Restaurants offer the BluTaco Products and Services we designate. We refer to the combination of the BluTaco concept, the BluTaco Marks, the BluTaco Products and Services, and our methods of operating a Restaurant, as the "System."

There are two types of BluTaco Restaurants:

1. Business within a Business: Restaurants located within an existing business the franchisee operates, like a grocery store or convenience store ("Business-Within-a-Business Locations" or "BWB Locations"). BWB Locations offer carry-out services, although customers may also dine-in if the Restaurant offers seating areas.

2. Freestanding: Restaurants that are freestanding or are developed in a strip mall, shopping center food court, airport, or similar facility. We refer to these locations as "Independent Locations." Independent Locations offer dine-in or carry-out services. We currently do not offer franchises for freestanding Restaurants.

Addendum

We will offer you an addendum to the Franchise Agreement under which we will pay you a cash rebate based on the amount of your net purchases of Branded Products during the fiscal year we prescribe. There are two levels of this addendum: (i) the Gold Level; and (ii) the Silver Level in which you are required to select when signing a Franchise Agreement with us.

1. Gold Level Addendum: If you sign the Gold Level Addendum, your Territory will consist of either (a) a one-mile radius around your Restaurant, or (b) a smaller territory determined by us, at our sole discretion, if your Restaurant is located in a heavily populated area. Under the Gold Level Addendum, the percentage of rebate you receive is higher than that offered under the Silver Level Addendum.

2. Silver Level Addendum: If you sign the Silver Level Addendum, your Territory will consist of the outside shell of your Restaurant and we will not grant you any territorial protection outside of the shell of your Restaurant. Under the Silver Level Addendum, the percentage of rebate you receive is lower than that offered under the Gold Level Addendum. This disclosure document and the Franchise Agreement are for Business-Within-a-Business Locations.

Laws and Regulations

In addition to laws governing businesses generally such as the Americans with Disabilities Act, Federal Wage and Hours Laws, and the Occupation, Health and Safety Act, you should consider that certain aspects of the restaurant business are heavily regulated by federal, state and local laws, rules and ordinances. The U.S. Food and Drug Administration at the U.S. Department of Agriculture, as well as state and local departments of health and other agencies have laws and regulations concerning the preparation of food and sanitary conditions and restaurant facilities. State and local agencies routinely conduct inspections for compliance with these requirements. Under the Clean Air Act and state implementing laws, certain state and local areas are required to attain, by the applicable statutory guidelines, the national air quality standards for ozone, carbon monoxide and particulate matters. Certain provisions of these laws impose caps on emissions resulting from commercial food preparation. State and local laws, regulations and ordinances vary significantly. You will need to understand and comply with these laws in operating the Restaurant. There may be other laws applicable to your business. We urge you to make further inquiries about these laws.

Competition

The restaurant industry is highly competitive. You will compete with other businesses and restaurants that offer the same type of products and services you offer; as well as other businesses and restaurants that offer food, beverages, products, and services different from those you will offer. These businesses may be connected with national or regional chains, or they may be local businesses.

ITEM 2.

BUSINESS EXPERIENCE

President and Chief Executive Officer: Shawn Burcham

Mr. Burcham has served as our President and CEO since we were organized on October 26, 2017. From July 1998 to the present, he has also served as President and CEO of Pro Food Systems.

Company Secretary: Julie Ann Burcham

Ms. Burcham has served as Corporate Secretary of Pro Food Systems since July 1998. As part of our affiliate relationship with Pro Food Systems, she has also served as our Corporate Secretary since October 26, 2017.

Senior Vice President, People Success: Carla Dowden

Ms. Dowden has served as Senior Vice President of Pro Food Systems since October 5, 2022. As part of our affiliate relationship with Pro Food Systems, she has also served as our Vice President of People Success since October 26, 2017.

Senior Vice President of Operations: Brock Blaise

Mr. Blaise has served as Senior Vice President of Operations of Pro Food Systems since April 1, 2018. As part of our affiliate relationship with Pro Food Systems, he has also served as our Senior Vice President of Operations since April 1, 2018.

Chief Financial Officer: Kyle Menges

Mr. Menges has served as Chief Financial Officer of Pro Food Systems since December 1, 2022. As part of our affiliate relationship with Pro Food Systems, he also served as CFO since December 1, 2022. From April 30, 2018 to November 30, 2022, he served as Controller.

Senior Vice President – Business Development: Mason Hutchinson

Mr. Hutchinson has served as Vice President – Business Development since September 24, 2021. From April 28, 2020 to September 23, 2021, he served as Regional Manager– Business Development. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Manager – Business Development since April 28, 2020.

Vice President -Technology: John Bleidistel

Mr. Bleidistel has served as Director of Technology of Pro Food Systems since February 2009. As part of our affiliate relationship with Pro Food Systems, he has also served as our Director of Technology since October 26, 2017.

Senior Vice President, Marketing & Executive Operations: Lori Kimbrough

Ms. Kimbrough has served as Senior Vice President of Marketing & Executive Operations since October 1, 2025. From November 1, 2023 to September 30, 2025, she served as Vice President of CEO Executive Operations.

President, GBC & Senior Vice President, Procurement: John McElroy

Mr. McElroy has served as President of GBC and Senior Vice President of Procurement since October 1, 2025. From April 16, 2024 to September 30, 2025, he served as Vice President of Procurement. Mr. McElroy was rehired by the Company on June 29, 2020, serving as Warehouse Manager.

Senior Vice President, Customer Success: Adam Wojciechowski

Mr. Wojciechowski has served as Senior Vice President of Customer Success since November 6, 2023. From February 24, 2020 to November 5, 2023, he served as Director of Customer Success.

Key Account Manager: Brian Harding

Mr. Harding has served as Key Account Manager of Pro Food Systems since October 2008. As part of our affiliate relationship with Pro Food Systems, he has also served as our Key Account Manager since October 26, 2017.

National Business Developer: Lori Humphrey

Ms. Humphrey has served as National Business Developer of Pro Food Systems since August 2005. As part of our affiliate relationship with Pro Food Systems, she has also served as our National Business Developer since October 26, 2017.

Regional Manager-Retail Growth: Tim Sullivan

Mr. Sullivan has served as Regional Manager of Pro Food Systems since February 2012. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Manager since October 26, 2017.

Regional Manager - Retail Growth: Dwight Stiles

Mr. Stiles has served as Regional Manager of Pro Food Systems since September 1, 2021. From October 28, 2019 to August 31, 2021, he also served as Business Advisor. As part of our affiliate relationship with Pro Food Systems, he served as a Business Advisor since October 28, 2019.

Regional Manager - Retail Growth: Tim Huntington

Mr. Huntington has served as Regional Manager of Pro Food Systems since October 1, 2021. From October 24, 2014 to September 30, 2021, he also served as a Business Advisor. As part of our affiliate relationship with Pro Food Systems, he served as a Business Advisor since October 24, 2014.

Regional Manager - Business Development: Ken Elders

Mr. Elders has served as Regional Manager - Business Development of Pro Food Systems since January 16, 2019. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Manager - Business Development since January 16, 2019.

Regional Manager – Business Development: Devon Clark

Mr. Clark has served as Regional Manager – Business development of Pro Food Systems since October 31, 2022. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Manager – Business Development since October 31, 2022. From December 12, 1994 to September 6, 2022, he was the Senior Director of Business Development for OLM Food Solutions in Sioux Falls, South Dakota.

Regional Business Developer: Brian Lee Fuller

Mr. Fuller has served as Regional Business Developer of Pro Food Systems since July 1, 2025. He served as National Business Developer since October 14, 2021 to July 1, 2025. From March 2014 to October 13, 2021, he served as Senior Business Developer. As part of our affiliate relationship with Pro Food Systems, he has also served as our Senior Regional Business Developer of Pro Food Systems since March 2014.

Regional Business Developer: Richard Kimmel

Mr. Kimmel has served as Regional Business Developer of Pro Food Systems since July 31, 2017. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Business Developer since October 26, 2017.

Regional Business Developer: Wesley Heinert

Mr. Heinert has served as Regional Business Developer of Pro Food Systems since March 2015. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Business Developer since October 26, 2017.

Regional Business Developer: Christopher Carman

Mr. Carman has served as Regional Business Developer of Pro Food Systems since December 2024. From June 2023 to October 2024, he was the Project Manager for Circle K located in Indiana. From January 2017 to June 2023, he was the District Manager for Circle K in Indiana.

Regional Business Developer: Clayton Waldie

Mr. Waldie has served as Regional Business Developer of Pro Food Systems since June 4, 2018. As part of our affiliate relationship with Pro Food Systems, he has also served as our Regional Business Developer since June 4, 2018. From July 2017 to June 2018, he was Vice President of Operations for Waldie Farms located in Marion, North Dakota.

Regional Business Developer: Tawnie Hedrick

Ms. Hedrick has served as Regional Business Developer of Pro Food Systems since May 29, 2020. As part of our affiliate relationship with Pro Food Systems, she has also served as our Regional Business Developer since May 29, 2020.

Regional Business Developer: James Patrick Ross

Mr. Ross has served as a Regional Business Developer for Pro Food Systems since January 18, 2022. As part of our affiliated relationship with Pro Food Systems, he has served as our Regional Business Developer since January 18, 2022. From January 2020 to January 2022, he served as a Territory Salesman for James River Petroleum in Richmond, Virginia.

Regional Business Developer: Douglas Guccione

Mr. Guccione has served as a Regional Business Developer of Pro Food Systems, Inc. since February 2, 2026. From May 2, 2022 to July 7, 2025, he served as District Sales Manager for Core-Mark in Chicago, Illinois. From May 3, 2021 to April 22, 2022, he served as Assistant General Manager for Blue Goose Market in Saint Charles, Illinois.

Regional Business Developer: Terry Brain Sellers

Mr. Sellers has served as a Regional Business Developer of Pro Food Systems, Inc. since February 2, 2026. From July 23, 2025 to January 2, 2026, he was Owner of Sellers Hotshots and Logistics in Richmond, Texas. From October 9, 2025 to October 3, 2025, he was Owner of Gulf State Sales in Richmond, Texas. From October 24, 2023 to June 27, 2025, he was Owner of Assurance Roofing and Restoration in Richmond, Texas.

Regional Business Developer: Stephen Potcner

Mr. Potcner has served as Regional Business Developer of Pro Food Systems since March 2026. He previously has worked with Poland Springs/Primo Brands in Dracut, MA as a CDL Class B Driver from April 2014 to March 2026.

Regional Business Developer: Jacob Sams

Mr. Sams has served as Regional Business Developer of Pro Food Systems since March 2026. He previously was a Regional Sales Representative for DTM Sales and Marketing in various locations from June 2024 to March 2026. Mr. Sams was self-employed from June 2020 to November 2022. From March 2020 to November 2022, Mr. Sams was the Senior Business Development Manager at IR. Tools located in Maryland.

Except as shown above, all positions have been located in Holts Summit, Missouri.

ITEM 3.

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4.

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5.

INITIAL FEES

Initial Franchise Fee
We do not charge an initial franchise fee.

Initial Training Fee
We do not charge an initial training fee.

Products, Equipment, Services, Supplies, and Merchandise
You must purchase, license, or otherwise obtain certain products, equipment, services, supplies, and merchandise that you need to develop and open your Restaurant from Pro Food Systems. These items include ovens heated and cooled holding displays, signage, menu boards, point of sale materials, ingredients, packaging, and branded products.

The costs may vary and can range from $4,500 on the low end to $130,000 on the high end due to the retailer physical location. The Program is a business within a business as opposed to a stand-alone franchise that has required design buildouts. A store that has a kitchen/deli already in place as well as equipment acceptable to run the Program will incur costs on the low end of the range. Conversely, a store that must upgrade existing space and/or infrastructure and has no equipment to run the Program will land on the high end of the range.

The payment terms for equipment will vary depending on Pro Food Systems' policies, your creditworthiness, the total cost of the item, and other factors. For planning purposes, you should assume

that you must pay 50% of the amount owed when you order the item, and the balance before Pro Food Systems ships the item.

If you are not satisfied with the Program, we will provide you with a 100% money back guarantee for the equipment that you purchase from Pro Food Systems to run the Program.

Refundability

Other than fees described above, or in the case of overpayment or similar error, none of the fees shown in this Item 5 are refundable.

Variances

The costs of products, equipment, services, supplies, and merchandise will vary for the reasons we describe above. However, we and our Parent intend to charge similarly-situated franchisees substantially the same prices for the same items they purchase in substantially the same quantities.

Although we have no present intention of varying the fees and costs, we reserve the right to do so. The factors we would consider in deciding whether to vary the fees may include the value of the area where the franchisee intends to develop Restaurants, the franchisee's qualifications, and other factors. If we grant a variance, we will comply with all notice requirements under negotiated sales statutes and rules.

ITEM 6.

OTHER FEES

Column 1 Type of Fee[Note 1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Payment Processing Fee Reimbursement	Not currently charging a processing fee. The maximum processing fee per transaction will be $0.14.	Within 10 days of request for payment	*See* Note 2
Collection Charge	The greater of: i) $100 per delinquent payment; or ii) our actual costs of collection, plus interest	Within 5 days of request for payment	*See* Note 3 You would pay this amount only if we must collect past-due amounts you owe.
Reimbursement of Franchise Taxes and Similar Taxes	$0 to $2,500 or more per year per jurisdiction	So that we actually receive reimbursement by the end of 10 days after we request it	You must reimburse us for any franchise tax or similar tax assessed against, or payable by us, on payments paid based on the Franchise Agreement.
Reimbursement of Relocation Costs	$1,000 to $2,500	So that we actually receive reimbursement by the end of 10 days after we request it	Payable only if you relocate your Restaurant.

Column 1 Type of Fee[Note 1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Equipment; Supplies; Inventory; Proprietary Products	$500 to $50,000	As incurred	*See* Note 5
Approval of Suppliers	$25 to $500 for each supplier and item you request that we approve	So that we actually receive reimbursement by the end of 10 days after we request it	Payable only if you request that we approve a supplier or the items a supplier offers.
Reporting Services	$2,000 to $5,000 a year	As required by supplier	Our reporting service company converts data from your POS System into reports that help determine the best product mix for your Restaurant, profitability, and other matters. Our current reporting service company is MicroSale.
Training for Unpreparedness Fee	$3,500 plus the cost of travel	As incurred	If we arrive at your restaurant and find you are unprepared to train and therefore will prevent the restaurant from opening, you must pay us this fee. If the fee does not cover the cost of our travel to your restaurant, we reserve the right to charge you the remaining amount for the travel expenses.
Manager Training	$1,500	So that we actually receive reimbursement by the end of 10 days after we request it	*See* Note 6 Payable only if we determine that you want us to train an unreasonable number of Managers
Additional Training	Not to exceed $120 an hour	So that we actually receive reimbursement by the end of 10 days after we request it	*See* Note 7 We will provide you with any additional training that we believe would benefit the System.
Indemnification	Varies under circumstances	So that we actually receive reimbursement by the end of 10 days after we request it	You must reimburse us for losses from claims, damage, or lawsuits related to the Franchise Agreement.
Transfer of Franchise	$2,500	On transfer	*See* Note 8 Paid if you assign or transfer, with our written permission, the rights to the Franchise Agreement.

Column 1 Type of Fee[Note 1)]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Renovations	Actual costs.	As required by supplier	*See* Note 9 No $ limit
Reimbursement of Training Costs	$7,500	<u>If You Terminate</u>: Together with your notice of termination <u>If We Terminate</u>: So that we actually receive payment by the end of 10 days after we request it	Payable only: i) if you terminate the Franchise Agreement within one year after the Opening Date of the Restaurant; or ii) if we terminate the Franchise Agreement within one year after the Opening Date due to your breach.
De-Identification Fee	$1,000 per day	After termination, this fee is due if your location has not de-identified as a BluTaco Franchise 7 days after the effective date of the termination agreement	*See* Note 10 Payable only if you do have not de-identified your former franchised location. This fee is only charged after the 7th day of not removing branded materials from your location.
Liquidated Damages (For Breach of Your Obligations on Termination)	$250 to $1,250 per day multiplied by the number of days you are not in compliance with your obligations on termination	On your breach of your obligations on termination of the Franchise Agreement	*See* Note 11 Your compliance with your obligations on termination of the Franchise Agreement is within your sole control.
Costs and Attorneys' Fees	Actual Costs	So that we actually receive reimbursement by the end of 10 days after we request it	You pay these fees only if you breach the Franchise Agreement or if there are other claims related to our relationship.
GRITT Summit and Franchise Advisory Meeting	Then current registration fees, plus travel expenses.[6]	Paid to PFS at the time of registration.	*See* Note 12 You will send at least one (1) individual to the annual GRITT Summit and Franchise Advisory Meeting. This person should be a decision maker or manager for the Restaurant.

<u>Explanatory Notes:</u>

1. Unless we note otherwise, we impose and collect all fees, and all fees are payable only to us. All fees are nonrefundable except in the case of overpayment or similar error. All fees are uniformly imposed.

   There are no Company-owned Restaurants in the System. There are also no cooperatives. As a result, no Company-owned Restaurants have controlling voting power over any fees any cooperative may impose.

You must pay all fees you are required to pay us: i) in one lump sum; ii) by automatic debit or in another manner we may direct; iii) in United States dollars; and iv) so that we actually receive the payment by the end of the date the payment is due.

2. If banks, credit card companies, or other payment processors charge us a fee for processing any payment you make to us, you must reimburse us for the amount of the fee. The amount of the fee would depend on factors like the type of process used, the size of the payment, and the processor's costs.

3. If you do not pay us an amount you owe so that we actually receive the payment by the end of the date it is due, you must pay us the amount of the payment, plus i) a collection charge the "Collection Charge") equal to the greater of $100 per delinquent payment or our actual costs of collection; plus ii) interest on the overdue amount at the lesser of 18% per annum the "Contract Rate") or the highest rate then permitted by applicable law the "Default Rate").

   Our actual costs of collection may vary widely depending on a number of factors, like the amount of time we spend collecting the payment, whether we collect it ourselves or send it to a collection agency or attorney, whether you cooperate with us, and other factors. For planning purposes, you should assume that our costs could range from: (i) approximately $100, if we collect the money ourselves, you pay after a brief conference with us, and you cooperate; to (ii) $2,500 or more, or 50% or more of the amount of the debt, if we have a collection agency or an attorney collect the payment, you do not cooperate, and we engage in legal proceedings.

4. You must obtain our prior written consent before you relocate the Restaurant. If we allow you to relocate the Restaurant, you must reimburse us for any costs or expenses we may incur related to the relocation. The amount of the reimbursement would depend on a number of factors, like the number of proposed replacement sites we must evaluate, the thoroughness of the information you provide, whether we must send instructors to train your personnel at the relocated Restaurant, and other factors.

5. The System includes items that we have developed, that are proprietary to us, that we keep secret, or that we designate as meeting our requirements. We refer to these items as "Proprietary Products." You must obtain these items only from us, from our affiliates, from suppliers we designate, from suppliers you select and we approve, or in accordance with our written specifications

   The low end of the range assumes that you already own the equipment you will use in the operation of the Restaurant. This equipment includes ovens**,** heated and cooled holding displays, signage, menu boards, point of sale materials, ingredients, packaging, and branded products. The high range shown assumes that you must purchase these items.

6. We do not charge a fee to train a reasonable number of your Managers. If we must train an unreasonable number of Managers, you must pay us our then-current fee.

   In determining whether the number of Manager you want to us to train is reasonable, we may consider: (i) whether you already have the number of Managers that we require; (ii) the volume of business of your Restaurant; (iii) the reliability of your existing Managers; (iv) the skills of your existing Managers; (v) your Manager turnover; and (vi) other factors.

7. We may develop additional training that we believe would benefit the System. We refer to this training as the "Additional Training." If we develop Additional Training, we will charge you a reasonable fee for providing it; however, the fee will not exceed our costs of developing and

conducting the Additional Training, including our costs to attend the training.

The price for Additional Training will vary substantially depending on: (i) the expertise the training requires; (ii) the length of the training; (iii) the place where we provide the training; (iv) the means of delivery (in-person, electronically, or in writing); and (v) other factors.

8. The Transfer Fee is for a transfer of the Franchise. It compensates us for: (i) the expenses we incur related to the transfer, like attorneys' fees and costs for the due diligence we undertake and the documentation we prepare; (ii) training and other initial assistance we provide to the transferee; (iii) losses from sub-optimal efficiencies during the initial stages of the transferee's operation of the Franchised Business; and (iv) other costs, expenses, and losses.

9. It is in your best interests, and in the best interests of our other franchisees and the System, that each BluTaco Restaurant, including your Restaurant, be clean, up-to-date, well-maintained, and well-appointed. Therefore, you must redesign, refurbish, and remodel collectively, "Renovate") your Restaurant to conform to: i) our then-current specifications for BluTaco Restaurants; and ii) our judgment as to the condition, state of repair, and general appearance of your Restaurant compared to the condition, state of repair, and general appearance that we consider desirable.

   We will not require you to Renovate your Restaurant more often than one time every five years. We cannot predict, with any degree of accuracy, what your Renovation costs may be. If you must replace your signage, it would include the cost of replacement signage. If you must redecorate the Restaurant and replace your equipment, it would include the costs of redecoration and the equipment you purchase. For planning purposes, you should assume that the costs will range from $1,000 to $25,000. However, if you have more signage than is standard, or if your Restaurant needs substantial Renovations, your costs may be higher.

   There is no cap on these amounts: they are dictated entirely by your particular circumstances. Because you have the right to terminate the Franchise Agreement without cause, your decision of whether to Renovate your Restaurant is within your control. If you do not want to Renovate, you may terminate the Franchise Agreement.

10. For example purposes, if your store's signage is not removed until the 15th day after the effective date of termination, the De-Identification Fee will equal $8,000.

11. You must comply with your obligations on termination of the Franchise Agreement. If you do not comply, your noncompliance will dilute the value of the Marks and deprive us of the full value of the System. As a result, if you fail to comply with your obligations on termination of the Franchise Agreement, you must pay us liquidated damages for each day that you are not in compliance.

    For most breaches of your obligations on termination, you must pay us $250 per day multiplied by the number of days you are not in compliance.

    We may adjust the amount of the liquidated damages shown in this Explanatory Note based on the increase, if any, in the Metropolitan Area Consumer Price Index for All Urban Consumers-All Items, published by the United States Department of Labor, Bureau of Labor Statistics, or any successor index.

The amounts shown in this Explanatory Note would apply only if you breach your obligations on termination of the Franchise Agreement. Your compliance with these obligations is within your sole control.

12. In 2024, the GRITT Summit and the Franchise Advisory Meeting was held simultaneously. This arrangement will be reviewed on an annual basis and is subject to change.

ITEM 7.

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Column 1 Type of Expenditure	Column 2 Amount		Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to Be Made
	Low	High			
Architectural and Engineering Fees	$0	$10,0000	As Arranged	As Arranged	Architects, Engineers
Construction, Remodeling, and Site Improvements[Note 1)]	$0	$300,000	As Arranged	As Arranged	Contractors
Furniture, Fixtures, Equipment, Décor, and Signage[Note 2)]	$1,500	$150,000	As Arranged	As Arranged	Pro Food Systems; Other Suppliers
Training Expenses: Wages and Benefit Costs [Note 3)]	$1,500	$10,000	As Incurred	During Training	Your Employees; Suppliers of Benefits
Grand Opening Advertising[Note 4)]	$0	$5,000	As Incurred	As Arranged	Advertisers
Professional Fees[Note 5)]	$0	$5,000	As Incurred	Before Opening	Attorneys, Accountants
Insurance for One Year [Note 6)]	$0	$13,000	As Arranged	Before Opening	Insurers
Security Deposits, Utility Deposits, Business Licenses, and Other Prepaid Expenses[Note 7)]	$0	$4,000	As Arranged	Before Opening	Utilities, Governmental Authorities
Opening Inventory	$3,000	$15,000	As Incurred	As Arranged	Pro Food Systems; Other Suppliers
Additional Funds – 3 Months[Note 8)]	$3,000	$30,000	As Incurred	As Incurred	Suppliers, Employees, Tradesmen
Total[Note 9)]	**$9,000**	**$632,000**			

Explanatory Notes:

Note 1: The low range shown in the table assumes that the space is already properly configured and needs no construction. The high range shown assumes that you must construct the interior of your Restaurant from empty shell space in which you have flexibility over the use of the space.

Note 2: The low range shown in the table assumes that: i) you do not have dine-in seating; ii) you already have a computer system and electronic cash register system in your existing business; iii) you lease the other equipment that you need; and iv) you purchase your signage.

The high range assumes that: i) you have limited dine-in seating; and ii) you purchase your equipment and signage, including a computer system and electronic cash register system.

Note 3: Training expenses typically incurred while attending training.

Note 4: We do not require you to conduct grand opening advertising. The low range shown in the table assumes that you do not conduct any grand opening advertising. The high range assumes that you conduct limited grand opening advertising.

Note 5: The low range shown in the table assumes that: i) you do not use an attorney to review the Franchise Agreement or this Disclosure Document, and you do not have any construction contracts to review; ii) you add your Restaurant to your existing accounting systems; and iii) your existing accountant processes your payroll and does your bookkeeping as a part of the payroll and bookkeeping for your existing business without payment of any additional fee.

The high range shown assumes that: i) you engage legal counsel to review the Franchise Agreement, this Disclosure Document, and your construction contracts; ii) your existing accountant adds your Restaurant to your existing accounting systems for a minimal additional fee; and iii) your existing accountant processes your payroll and does your bookkeeping as a part of the payroll and bookkeeping for your existing business for a minimal additional fee.

Note 6: Except for the amounts for insurance, the amounts shown in the table are for your startup and first three months of operation only. The amounts for insurance are for one full year after you purchase the policy.

Note 7: These costs include deposits for utilities, prepaid expenses, and other miscellaneous deposits and prepaid costs you may incur.

Note 8: All fees included in the above chart are non-refundable under any circumstance. Neither us or our affiliates finance any portion of your initial investment.

Note 9: These are estimates of the funds you will need for the typical Restaurant's first three months of operation. The figures include costs of performing background checks, hiring employees, payroll costs, health insurance costs, purchasing miscellaneous products and services, and additional amounts you will spend during the first three months of operation. They do not include any draw or salary by your owners unless they are acting in the capacity of a Restaurant Manager. These amounts may vary widely depending on the number of employees you have, the rates you pay your employees, your costs of insuring your employees, and similar variables. In compiling the figures for Additional Funds, we relied on the experience of our officers in the development, opening, and operation of BluTaco Restaurants.

In compiling the figures for Additional Funds, we relied on the experience of our officers in the development, opening, and operation of BluTaco restaurants.

ITEM 8.

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Your Obligation to Purchase or Lease Items

We and our franchisees have an interest in protecting the quality and integrity of the System. To protect our common interests, we place restrictions on the products and services you purchase, and on the sources from which you purchase them.

No franchisor officer owns an interest in any supplier.

We currently are not but reserve the right to be so in the future, an approved supplier of the products and services used in the operation of your Restaurant.

Our parent, Pro Food Systems, is an approved supplier; and the only approved supplier of the following Proprietary Products (the "Proprietary Products"): (i) Food Preparation Equipment; (ii) Cooking Equipment; (iii) Hot Food Cases; (iv) Food Inventory; and (v) Branded Packaging.

Grant and Revocation of Approval of Alternative Suppliers

We do not currently have written criteria for approving suppliers. If we develop written criteria, we will provide you with a copy on your written request.

We do not assert any right to control products and services you offer unless they relate to the BluTaco Products and Services. For example, if you operate a grocery store, we do not control the grocery items you generally stock, including the deli items you offer.

We do not permit you to contract with alternative suppliers to obtain Proprietary Products. We also have the right to control the ingredients you use in connection with the BluTaco Products and Services, the packaging of the BluTaco Products and Services, and similar matters. You must obtain our approval of any alternative supplier of these items, and the products or services it offers, before you use the supplier. To secure our approval: i) you must submit a written request to us for approval, together with any samples, specifications, and other information we may request; ii) the proposed supplier must demonstrate to our reasonable satisfaction that it is able to supply the items to you in compliance with our specifications; and iii) the proposed supplier must demonstrate to our reasonable satisfaction that it is in good standing in the business community with respect to its financial soundness and integrity, and the reliability of the items it offers. We may charge you a fee ranging between $25 to $500 for each supplier and item you request that we approve

If you ask us to approve an unreasonable number of alternative suppliers, products, or services, we have the right to require you to reimburse us for our actual costs and expenses of evaluations we perform.

We will give you notice of our approval or disapproval by the end of 30 days after you or the proposed supplier deliver to us the last information we request in connection with the approval.

We may revoke our approval of any supplier, good, or service if we determine, in our exercise of reasonable business judgment, that revocation is in your best interests, our best interests, or the best interests of the System. If we revoke our approval, we will give you written notice of the revocation.

We make our standards and specifications available to our franchisees. We will provide you with a copy of them on your written request. We may disclose them to suppliers you propose using, provided they sign agreements we prepare to protect the confidentiality of our standards and specifications, but we are not required to do so. We have no formal procedures for modifying our standards and specifications; we do so based on our judgment as to how to best serve our franchisees and their customers, and how to enhance profits.

Revenue or Other Material Consideration from Required Purchases or Leases by Franchisees

We require you to purchase or lease Proprietary Products and other products and services from us or our Parent. We and our Parent: i) may include a reasonable markup in the price of any products and services we or they sell you; ii) may derive profit from the products and services we or they sell you; and iii) may receive revenue or other material benefit as a result of consideration you or any of our other franchisees pay us or our Parent.

We require you to purchase or lease products and services from third parties. We and our Parent may enter into arrangements with these third parties under which we and our Parent receive revenue or other material benefit, like rebates, discounts, and allowances, as a result of consideration you or any of our other franchisees pay to the third parties.

We may receive revenue or other material consideration from your purchases and leases of products and services from us or our Parent. We anticipate that this consideration will be a percentage of the dollar amount of your purchases and leases. These percentages would vary depending on: i) our cost of producing or purchasing the good or service; ii) the costs and difficulties we incur in storing and shipping the item; iii) competition in the marketplace; iv) the requirements of law; and v) other factors. Many products, are commodity based and the prices can fluctuate daily, and the percentages could range from less than 1% to 50% or more of the amount you pay.

Based on the terms of an agreement between Pro Food Systems and us, Pro Food Systems pays to us a fee, on a quarterly basis, equal to one-half of one percent (0.5%) of the total of all purchases and leases by our franchisees, if applicable.

During its fiscal year ended December 31, 2025, PFS received revenues of $871,252 from approved suppliers for purchases of Proprietary Products and/or other products at wholesale. Based on the terms of an agreement between PFS and us, PFS pays us a fee, on a quarterly basis, equal to one half percent (0.5%) of the total of all purchases and leases by our franchisees from the approved suppliers for Proprietary Products and/or other products.

We may receive revenue or other material consideration from suppliers we designate, where the products or services our franchisees purchase or lease are not Proprietary Products. We anticipate that consideration we or our Parent may receive, if any, from our franchisees' purchases and leases of products and services from designated suppliers would be a percentage of the System's purchasing levels. These percentages would vary depending on: i) the supplier's policies; ii) the volume purchased; iii) the customs of the supplier's industry; iv) the requirements of law; v) competition in the marketplace; and vi) other factors. The percentages could range from less than 1% to 8% or more of the amount of the System's purchases.

Your required purchases and leases, which include purchases and leases of products and services from us or our Parent or any designated supplier of ours, and purchases and leases of products and services in accordance with our specifications, will represent approximately 25% to 80% of your total purchases and leases of products and services to establish your Franchised Business and approximately 55% to 80% of your total purchases and leases of products and services to operate your Franchised Business.

Your computer hardware and software include the following:

• Electronic Cash Register	• Back Office System
• Office Computer	• WIFI Network Controller
• Office Management System • Point of sale system • People Counter Device	

You are required to the following insurance coverages:

Type of Coverage	Amount
Commercial General Liability	$1 million per occurrence and $2 million in the aggregate
Automobile Liability, for Owned, Non-Owned, and Hired Vehicles	$1 million per claim, including bodily injury and property damage
Workers' Compensation and Employer's Liability	$500,000 per accident $500,000 disease per employee with a policy limit of $500,000 in the aggregate
Unemployment Compensation, Disability, Social Security, and other insurance required by law	As prescribed by law

General Matters

Currently, we have no purchasing or distribution cooperatives for the System.

We negotiate purchase arrangements with our Parent and some of the other suppliers we designate, including price terms, for the benefit of franchisees.

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.

Obligation	Section in Franchise Agreement[Note 1)]	Disclosure Document Item
a. Site selection and acquisition/lease	Section 4	Item 11
b. Pre-opening purchases/leases	Section 8	Items 5 and 8
c. Site development and other pre-opening requirements	Sections 4, 5, 6, 8	Item 11
d. Initial and ongoing training	Section 6	Items 6, 7, and 11
e. Opening	Section 5	Item 5

Obligation	Section in Franchise Agreement[Note 1)]	Disclosure Document Item
f. Fees	Sections 3, 6.a, 6.b 10.g, 13.a,16.a, 17.c.v	Items 1, 5, and 7
g. Compliance with standards and policies/operating manual	Recital B; Sections 7.a, 7.c, 10.a, 10.b, 10.f	Items 8, 11, and 16
h. Trademarks and proprietary information	Recitals A, B; Sections 9, 18.c	Items 13 and 14
i. Restrictions on products/services offered	Recital B; Sections 8, 9.b, 10.c	Items 8 and 16
	Gold Addendum: Section 4	
	Silver Addendum: Section 3	
j. Warranty and customer service requirements	Not Applicable	Item 11
k. Territorial development and sales quotas	Section 4.c	Item 12
	Gold Addendum: Section 2	
l. Ongoing product/service purchases	Section 8	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	Sections 10.b, 10.f	Item 12
n. Insurance	Section 13.b	Items 6 and 7
o. Advertising	Section 7	Items 6, 7, 8, and 11
p. Indemnification	Section 13.a	Item 6
q. Owner's participation/management/staffing	Not Applicable	Item 15
r. Records and reports	Section 12	Item 6
	Gold Addendum: Section 4.5	
s. Inspections and audits	Section 11	Item 6
t. Transfer	Section 12	Items 6 and 17
u. Renewal	Section 2	Item 9
v. Post-termination obligations	Section 16	Item 9
	Gold Addendum: Section 3.1.2	
	Silver Addendum: Section 2.1.2	
w. Non-competition covenants	Section 16	Item 9
x. Dispute resolution	Section 17.c	Item 17
	Gold Addendum: Section 6.2	
	Silver Addendum: Section 4.2	
y. Other		
Signage	Gold Addendum: Section 3.2	Item 9
	Silver Addendum: Section 2.2	
Breakfast Program	Gold Addendum: Section 3.3	Item 9
	Silver Addendum: Section 23	
Point of Sale "POS") System	Gold Addendum: Section 4.4	Item 9
Equipment	Gold Addendum: Section 3.64	Items 9 and 11

Obligation	Section in Franchise Agreement[Note 1)]	Disclosure Document Item
Test Marketing	Gold Addendum: Section .3.5	Item 9

Explanatory Note:

All references are to the Franchise Agreement unless otherwise noted.

ITEM 10.

FINANCING

We do not offer direct or indirect financing. None of our affiliates offer direct or indirect financing. We do not guarantee your note, lease or obligation.

ITEM 11.

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

Except as listed below, BluTaco is not required to provide you with any assistance.

Pre-opening obligations:

Before you open your Restaurant:

1. We will review the proposed site for the Restaurant. We refer to the site where you propose to develop your Restaurant as the "Proposed Site." Because you will operate your Restaurant within an existing business of yours, we do not provide you with any assistance in locating a site or negotiating the purchase or lease of the site. You will have the Proposed Site before you sign the Franchise Agreement. We will evaluate your Proposed Site before we enter into the Franchise Agreement with you. If we do not approve of the site, we will not enter into the Franchise Agreement. (Franchise Agreement, Section 4.a)

2. We refer to the location we approve as the "Approved Location." We will show the Approved Location on Schedule A of the Franchise Agreement before you sign it. (Franchise Agreement, Section 4.b)

3. You are solely responsible for conforming the premises of the Restaurant to all ordinances and building codes. We will not have any responsibility related to conforming the premises of the Restaurant to any ordinances or building codes. (Franchise Agreement, Section 4.a)

4. You are solely responsible for promptly seeking and obtaining all governmental and other approvals, consents, permits, and licenses required to open and operate the Restaurant and to offer for sale and sell the Products and Services. You must use your best efforts to obtain all required approvals, consents, permits, and licenses. We will not have any responsibility related to these required approvals, consents, permits, and licenses. (Franchise Agreement, Section 10.a)

5. Provide you, on loan, with one copy of our Operations Manual. *See* "Operations Manual," below in this Item 11; *see also*: i) Item 14 of this Disclosure Document; and ii) the Table of Contents of

the Operations Manual, and the number of pages devoted to each subject and the total number of pages, shown in Exhibit G to this Disclosure Document.

6. Provide you with our Manager Training. ((Franchise Agreement, Section 6.a). *See* "Hiring and Training Employees" and "Training," below in this Item 11.

7. Provide you with our Opening Assistance. (Franchise Agreement, Section 6.b) *See* "Training," below in this Item 11.

Locating the Site; Negotiating the Purchase or Lease of the Site

We refer to the site where you propose to develop your Restaurant as the "Proposed Site." Because you will operate your Restaurant within an existing business of yours, you will have the Proposed Site before you sign the Franchise Agreement. We will evaluate your Proposed Site before we enter into the Franchise Agreement with you. If you do not have a site we approve, we will not enter into the Franchise Agreement.

We must approve the Proposed Site. We refer to the location we approve as the "Approved Location." We will show the Approved Location on Schedule A of the Franchise Agreement before you sign it. (Franchise Agreement, Section 4.).

We do not provide you with any assistance in locating a site or negotiating the purchase or lease of the site. We do not generally own the premises and lease it to you.

Conforming Premises to Local Ordinances and Building Codes; Obtaining Required Permits

You are solely responsible for conforming the premises of the Restaurant to all ordinances and building codes. We will not have any responsibility related to conforming the premises of the Restaurant to any ordinances or building codes. (Franchise Agreement, Section 4).

You are solely responsible for promptly seeking and obtaining all governmental and other approvals, consents, permits, and licenses required to open and operate the Restaurant and to offer for sale and sell the Products and Services. You must use your best efforts to obtain all required approvals, consents, permits, and licenses. We will not have any responsibility related to these required approvals, consents, permits, and licenses. (Franchise Agreement, Section 10).

Constructing, Remodeling, and Decorating Your Restaurant

You must promptly make all site improvements and install the furniture, fixtures, equipment, décor, and signage that we require at the Restaurant, at your sole cost and expense.

You must lease or purchase, install, use, and maintain all furniture, fixtures, equipment, décor, and signage related to the Restaurant, at your sole cost and expense.

We will consult with you regarding the design, construction, remodeling, equipping, and decorating of the Restaurant; however, it is your sole responsibility to design, construct, remodel, equip, decorate, ready, and open the Restaurant in compliance with the Franchise Agreement and the Operations Manual. (Franchise Agreement, Section 4).

We will not be responsible for any loss from the design, construction, remodeling, refurbishment, renovation, or equipping of the Restaurant.

Hiring and Training Employees

You must hire the employees that are required for the operation of your Franchised Business, and you must train and properly supervise all of your employees.

We will provide you with assistance with your Manager Training and opening your Store. We may have a corporate trainer (the "Corporate Trainer") provides you with opening assistance. (Franchise Agreement, Section 6.ii).

Furniture, Fixtures, Equipment, Décor, and Signage; Opening Inventory and Supplies

Provide you with standards and specifications for furniture, fixtures, equipment, décor, and signage. If we require you to use approved suppliers for these items, we will provide you with the names of the approved suppliers. We will provide this information in writing, in the Operations Manual or in other materials we provide. You will have the sole responsibility for obtaining and installing all furniture, fixtures, equipment, décor, and signage. We do not provide you with furniture, fixtures, equipment, décor, or signage directly. We do not deliver or install these items. (Franchise Agreement, Sections 4, 8)

Provide you with standards and specifications for opening inventory and supplies. If we require you to use approved suppliers for these items, we will provide you with the names of the approved suppliers. We will provide this information in writing, in the Operations Manual or in other materials we provide. You will have the sole responsibility for stocking the Restaurant with opening inventory and supplies. We do not provide you with opening inventory and supplies directly. We do not deliver or install these items. (Franchise Agreement, Section 8)

Consult with you regarding the design, construction, remodeling, equipping, and decorating of the Restaurant; however, it is your sole responsibility to design, construct, remodel, equip, decorate, ready, and open the Restaurant in compliance with the Franchise Agreement and the Operations Manual. However, we will not be responsible for any loss from the design, construction, remodeling, refurbishment, renovation, or equipping of the Restaurant.

Time for Opening Your Restaurant

You must open your Restaurant no later than 18 months from the Effective Date of the Franchise Agreement. You may open the Restaurant once we have completed a check-off sheet showing that you are ready and able to offer for sale and sell the Products and Services under the System at the Restaurant. (Franchise Agreement, Section 5)

A franchisee will typically open a Restaurant one to four months after the Effective Date of the Franchise Agreement. The factors that may affect this time period include the time required to: i) obtain any required building permits; ii) build out and decorate the Restaurant; and iii) order and install furniture, fixtures, equipment, décor, and signage at the Restaurant.

Your "Opening Date" will be the date when the operation of the Restaurant officially begins, marked by the first transaction processed through the Point of Sale (POS) system. If you have not opened the Restaurant by the end of the opening deadline, we will have the right to terminate the Franchise Agreement. (Franchise Agreement, Section 15)

Obligations During Operation of Franchise

During the operation of your Franchise, we will:

List your Restaurant on any Internet site we maintain that lists franchised or Company-owned BluTaco Restaurants operating under the System to the same extent as we list other BluTaco Restaurants generally. *See* "Internet Advertising," below in this Item 11.

Permit you to develop an Internet site. *See* "Internet Advertising," below in this Item 11.

Permit you to develop a site on Facebook and similar social network services collectively, the "Social Media Sites"). *See* "Internet Advertising," below in this Item 11.

Grant you access to advertising and promotional programs and material we or our designated advertising agency may develop for the System.

Allow your additional or replacement Managers to attend Manager Training. *See* Item 6 of this Disclosure Document; *see also* "Training," below in this Item 11.

Provide you with any additional training that we believe would benefit the System. *See* Item 6 of this Disclosure Document; *see* also "Training," below in this Item 11.

Defend the Marks and bear all costs of this defense. *See* Item 13 of this Disclosure Document.

Provide you with access to the products and services we may offer. *See* Item 8 of this Disclosure Document.

Subject to applicable law, recommend minimum and maximum prices for products and services at your outlet.

Evaluate suppliers you propose to use and the products, equipment, services, supplies, or merchandise they offer. *See* Item 8 of this Disclosure Document.

Advertising Programs

Grand Opening Advertising

We do not require you to conduct grand opening advertising.

Local Advertising Requirement

We do not require you to conduct local advertising.

Regional Advertising Cooperative

We do not require you to participate in any regional advertising cooperative.

National Advertising

We do not collect any national advertising fee. We do not require you to participate in any national advertising fund.

We do not have any obligation to spend any amount of advertising in your territory.

Internet Advertising

We will list your Restaurant on any Internet site we maintain that lists franchised or Company-owned Restaurants operating under the System to the same extent as we list these other Restaurants generally.

You may create an Internet site your "Internet Site") for the Restaurant. Your Internet Site must hyperlink off one or more Internet sites that we designate. You must use and publish all templates and forms we direct you to use and publish in connection with the Internet Site. You must submit to us all text, graphics, photographs, and other material collectively, the "Internet Content") you propose to use on your Internet Site, including all material modifications to the Internet Content, before you use it. We have the right to: i) approve, disapprove, and modify the Internet Content; ii) format, upload, or hyperlink your Internet Site to any other Internet site related to the System that we designate; and iii) modify, use, print, publish, display, store, and transmit the Internet Content, and to authorize third parties to modify, use, print, publish, display, store, and transmit the Internet Content.

Social Media Advertising

You may establish sites on Facebook and other social media and social network services. We refer to your sites on these media and services as your "Social Media Sites." We have the right to: i) disapprove or to require you to modify the text, graphics, photographs, and other material collectively, the "Social Media Content") on any Social Media Site; ii) hyperlink your Social Media Sites to any other Internet site related to the System that we designate; and iii) modify, use, print, publish, display, store, and transmit any of the Social Media Content, and to authorize third parties to modify, use, print, publish, display, store, and transmit any of the Social Media Content, subject to the requirements of the social network service that hosts the applicable Social Media Site. You must keep us advised at all times of your Social Media Sites' addresses and domain names.

We have the sole ownership, right, title, and interest in and to the Social Media Content of all Social Media Sites, subject to the requirements of the social network service that hosts the applicable Social Media Site.

We have the sole ownership, right, title, and interest in and to all domain names related to the Social Media Sites, subject to the requirements of the social network service that hosts the applicable Social Media Site.

The Social Media Content on each Social Media Site must meet the standards of propriety that we prescribe. Your Social Media Sites and Social Media Content must comply with our rules, guidelines, standards, specifications, plans, programs, and procedures. You must monitor the Social Media Content on each Social Media Site. You must remove any inappropriate Social Media Content so that the removal is fully completed immediately on our demand, or within 12 hours after the inappropriate Social Media Content is posted on the Social Media Site, whichever is earlier.

Access to Advertising

We will grant you access to standard advertising and promotional programs and material we or our designated advertising agency may develop for the System. You will receive, at no additional charge, all advertising and promotional programs and materials produced for the System for radio, television, or print media. These items include ad slicks, circulars, direct mail pieces, broad sheets, newsletters, and brochures. You must pay the hard costs associated with these items, like the cost of purchasing media, film, plates, paper, and other hard costs, and any shipping and handling charges for delivering the items to you. You must also pay all costs of customizing the programs or materials, and of having them published in the media.

Control Over Advertising

You may use only: i) advertising and promotional materials that we have provided to you; or ii) your own advertising and promotional materials that we have approved in writing in advance. Franchise Agreement, Section 7).

If you want to use advertising and promotional materials that we have provided to you, you must give us a description of the media in which you propose to use them for our approval before you use them. We will have 10 days in which to approve or disapprove the use of the materials in the media you propose. If we have not disapproved the use of the materials in the media you propose by the end of this 10-day period, they will be deemed approved.

If you want to use your own advertising and promotional materials, you must give us a copy of the advertising and promotional materials, together with a description of the media in which you propose to use them, for our approval before you use them. We will have 10 days in which to approve or disapprove the materials and their use in the media you propose. If we have not disapproved the use of the materials in the media you propose by the end of this 10-day period, they will be deemed approved.

You may not: i) issue any press release or similar promotion related to the Restaurant, the Franchised Business, or the System unless we expressly approve the release or promotion in writing in advance; ii) conduct any advertising or promotional activities that fall outside our guidelines; or iii) advertise the Restaurant with any business that is not operated under the Franchise Agreement or some other BluTaco franchise agreement, without our prior written consent. Franchise Agreement, Section 7).

All advertising materials we prepare or provide are protected by copyright and are our exclusive property.

Advertising Council

We do not have an advertising council composed of franchisees that advises us on advertising policies.

Electronic Cash Register System; Computer System

We may require you to buy and use the electronic cash register system and computer system that meets our requirements. However, the systems in your existing business may meet our requirements. (No specific reference in Franchise Agreement; Gold Addendum, Section 4).

You will use your electronic cash register system: i) to record your sales transactions; ii) to print bar code labels and other labels; iii) to prepare daily sales reports and similar periodic reports; iv) to provide us with other reports, documents, and data that we may specify; and v) to perform other functions that we may specify. (Exhibit B-1, Gold Addendum, Section 4).

You will use your computer system: i) for interactive training; ii) for purchasing and inventory control; iii) for accounting and bookkeeping; iv) for scheduling; v) for Internet communication and email; and vi) for other functions that we may specify.

Your electronic cash register system and computer system will consist of a point of sale system a "POS") and a back office system a "BOS"). We do not currently require you to use any specific POS or BOS. Your POS system must comply with the Payment Applications Best Practices "PABP") standards or the successor standards to the PABP. You must connect it to the Internet using an always-on access method, like a T-1 line, cable, or DSL. Our specifications may change, and you must upgrade to equipment that meets our specifications as we direct. You should ask us for a list of our current specifications before you sign the Franchise Agreement. The current purchase price of POS and BOS systems that meet our

specifications ranges from $5,000 and $20,000. No specific reference in Franchise Agreement.) You must enter, generate, and store in your electronic cash register system and computer system the data and information we prescribe. This data and information will include: i) sales records; ii) product mix and sales performance data; iii) inventory records; iv) accounting and bookkeeping records; v) training materials; vi) schedules; vii) Internet communications; and viii) other data and information we specify. You must use the reporting services we require. The fees for these services range from $2,000 to $5,000 per year.

Neither we nor any Parent or affiliate of ours has any obligation to provide ongoing maintenance, repairs, upgrades, updates to your hardware or software. We do not currently require you to enter into agreements with third parties to provide ongoing maintenance, repairs, upgrades, or updates to your hardware or software, although we may do so in the future.

You must keep your electronic cash register system and computer system in good maintenance and repair. You must upgrade and update your electronic cash register system and computer system on notice from us. We may require you: i) to add additional capacity, accessories, and peripheral equipment to your systems; and ii) to upgrade or replace your systems, at your sole cost and expense. The cost to comply with these obligations could be as low as $500, or may be as high as $25,000. We do not intend to require you to upgrade and update your systems more often than one time every five years; however, there is no contractual limitation on the frequency or cost of these obligations.

If you elect, at your option, to enter into maintenance, updating, upgrading, or support contracts, or if we require you to enter into these contracts, your costs should range from $250 to $5,000 per year. Your actual costs will vary depending on the price and quality of the components of your systems, the level of deductibles you select, and other factors.

If we substitute one or more software programs for any software we specify, you must, by the end of 30 days after we give you notice to do so, at your sole cost and expense: i) stop all use of the software being replaced; ii) preserve all data from the software being replaced; iii) obtain and install the substitute software on your computer as we may direct; iv) import, to the substitute software, relevant data from the software being replaced; and v) begin using the substitute software.

We will not have independent access to the information that will be generated or stored in your electronic cash register system and computer system.

Renovations

"Renovation" refers to the periodic large-scale refurbishment and remodeling of your Restaurant. It includes the replacement of worn, obsolete, or non-functioning furniture, fixtures, equipment, décor, and signage. Franchise Agreement, Section 10.f).

It is in your best interests, and in the best interests of our other franchisees and the System, that each BluTaco Restaurant, including your Restaurant, be clean, up-to-date, well-maintained, and well-appointed. Therefore, you must, at our request, renovate your Restaurant to conform to: i) our then-current specifications for BluTaco Restaurants; and ii) our judgment as to the condition, state of repair, functionality, and general appearance of your Restaurant and its furnishings, fixtures, equipment, décor, and signage compared to the condition, state of repair, functionality, and general appearance that we consider desirable. This Renovation will be at your sole cost and expense. Our right to require you to Renovate does not affect our right to require you to maintain the Restaurant in compliance with the Franchise Agreement, our Operations Manual, and our standards and specifications, or your obligation to do so. Franchise Agreement, Section 10.f).

We will not require you to Renovate your Restaurant more often than one time every five years. Franchise Agreement, Section 10.f).

You must finish all Renovations so that they are completed by the end of six months after we deliver notice to you that we are requiring you to make the Renovations.

Test Marketing

We may conduct market research and testing to determine consumer trends and the marketability of new products, equipment, services, supplies, and merchandise. We refer to these items, collectively, as the "Test Products." You must assist us with this market research and testing by participating in any programs as we may require. No specific reference in Franchise Agreement; Gold Addendum, Section 3).

Operations Manual

We loan you during the term of the Franchise Agreement one copy of an Operations Manual, which may consist of one or more handbooks or manuals and other written, video or audio materials (collectively the "Operations Manual"). The Operations Manual contains mandatory and suggested specifications, standards and operating procedures we prescribe for the operation of your Franchised Business and information relative to your other obligations. We have the right to modify the Operations Manual to reflect changes in products, services, specifications, standards and operating procedures, including marketing techniques. No addition or modification may alter your fundamental status and rights. You must keep one copy of the Operations Manual current and the master copy of the Operations Manual we maintain at our principal office controls if there is a dispute relative to the contents of the Operations Manual (Franchise Agreement, Section 7, Paragraph F). The Operations Manual contains a total of 76 pages as of the date of this Disclosure Document. Exhibit G to this Disclosure Document is the table of contents of the Operations Manual.

Training

We will provide you with our BluTaco Manager Training. (Franchise Agreement, Section 6)

Your Managers must attend, and successfully complete, to our satisfaction, Manager Training 1 to 4 weeks prior to the opening your franchised business

Our Manager Training as of the date of this Disclosure Document is as follows:

TRAINING PROGRAM
MANAGER TRAINING[Note 1)]

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-the-Job Training[Note 2)]	Column 4 Location
Orientation	0	1.0	Your Restaurant
Planning, Leading, Organizing, Controlling, Managing, Staffing, and Training	0	1.5	Your Restaurant
Equipment	0	0.5	Your Restaurant
Back-of-House Training	0	1.5	Your Restaurant
Kitchen Management Training	0	3.0	Your Restaurant
Front-of-House Training	0	1.0	Your Restaurant

Column 1 Subject	Column 2 Hours of Classroom Training	Column 3 Hours of On-the-Job Training[Note 2)]	Column 4 Location
Service Management Training	0	0.5	Your Restaurant
Inventory Control	0	1.5	Your Restaurant
Shift Management Training	0	0.5	Your Restaurant
Training Overview; Questions and Answers	0	0.5	Your Restaurant

Explanatory Notes:

1. Your "Managers" are the individuals who exercise actual control over the Restaurant.

The actual hours of training will vary depending on a number of factors, like the number of Managers in the training class, their experience, and their strengths and needs.

We will conduct training classes on an as-needed basis.

Our instructional materials consist of our Operations Manual, hands-on training and coaching, and discussions.

The experience of our instructors is as follows:

Name of Instructor	Years of Experience Instructor Has in Subject Instructor is Teaching	Years of Experience Instructor has with our Affiliate, Pro Food Systems
Tim Sullivan	13	13
Dwight Stiles	13	13
Tim Huntington	12	12
Joanne Cavender	3	3
Rob Lawrence	2	3
Tom VanLandingham	2	2
Jason Weeks	3	3
Quentin Bryce	2	6
Robyn Curphey	1	1

1. The instructors are employees of our Parent, Pro Food Systems.

2. The officer in charge of training is Jason Weeks.

Explanatory Notes:

We may also use instructors who are independent contractors.

We do not charge you any fee for training a reasonable number of Managers. We do not require you to reimburse us for the travel, food, lodging, wage, and benefit costs we incur in training a reasonable number of Managers.

If we determine that you want us to train an unreasonable number of Managers, we may charge you a reasonable fee to train the additional Managers. Currently, our cost for training additional Managers is $1,500.

In determining whether the number of Managers you want us to train is reasonable, we may consider: i) whether you already have the number of Managers that we require; ii) the volume of business of your Restaurant; iii) the reliability of your existing Managers; iv) the skills of your existing Managers; v) your Manager turnover; and vi) other factors.

Opening Assistance

At no additional cost to you, we will furnish a representative the ("Regional Growth Advisor") to your Restaurant. The Retail Growth Advisor will provide you with advice related to developing and opening your Restaurant.

At no additional cost to you, we may, at our discretion, provide you with a trainer the "Corporate Trainer") to assist in the opening process.

You must staff the Restaurant with your employees to train with, and to assist, the Retail Growth Advisor and Corporate Trainer.

Additional Training

If you are a business entity, we refer to certain persons as "Principals." A "Principal" is: i) a natural person who owns or holds any equity in you; ii) a business entity that owns or holds any equity in you; iii) any natural person who owns or holds any equity of any business entity that owns or holds any equity in you; and iv) other natural persons or business entities that we may designate. An equity holder will be deemed to "own" equity whether the ownership is direct, indirect, or beneficial.

We may develop additional training that we believe would benefit the System. We refer to this training as "Additional Training." If we develop Additional Training, we may designate the training as "optional" or "mandatory." If we designate Additional Training as mandatory, you and those of your Principals, Managers, and other personnel we specify must attend and complete the training to our satisfaction, at the times we specify. We reserve the right to charge a reasonable fee for Additional Training; however, the fee will not exceed our costs of developing and conducting the Additional Training, including our costs related to attending the training.

For planning purposes, you should assume that our costs for Additional Training will range from $25 to $500. However, they will depend on several factors, like: i) the place where we conduct the Additional Training e.g., at our headquarters, at a BluTaco Restaurant near your Restaurant, or at a central location); ii) the number of attendees who participate in the Additional Training and who share its costs; and iii) whether we must engage a specialist to provide the Additional Training. As a result, our costs could be higher. They will be based on the hourly rate described in Item 6. We have not yet developed any Additional Training, so we cannot predict with any degree of accuracy where we would conduct it or its content. We do not expect to conduct it more often than once a year; however, if the demands of the market or other factors require us to conduct it more often, we may do so.

Because we have not developed any Additional Training, no franchisees have enrolled in any non-mandatory training during the preceding 12 months.

Miscellaneous

You must pay all expenses you and your designated attendees incur related to attending any training we conduct. These expenses may include, but will not be limited to, your attendees' travel, food, lodging, wage, benefit, and other costs and expenses.

Except for the Opening Assistance, we will determine the location, duration, and program of any training we conduct.

We will not pay any compensation for any services you or your attendees perform in the course of any training.

We may train any number of attendees from any number of Restaurants at any training we conduct, at the same time as we train your attendees. We may train attendees from other systems that we or our Parent or affiliates may develop, at the same time as we train your attendees.

You are responsible for scheduling appropriate training for yourself and your Principals, Managers, and other employees we designate, and for ensuring that you and they successfully complete the training.

ITEM 12.

TERRITORY

The Franchise Agreement grants you the right to operate a BluTaco Restaurant at a single location that you select and we approve. Once a location for the Restaurant is approved by us, it will be listed in Schedule A to the Franchise Agreement. If you sign the Gold Addendum, your Territory will consist of either a) a one-mile radius around your Restaurant, or b) a smaller territory determined by us, at our sole discretion, if your Restaurant is located in a heavily populated area. If you sign the Silver Addendum, your Territory will consist of the outside shell of your Restaurant and we will not grant you any territorial protection outside of the shell of your Restaurant.

Scope of Territorial Rights

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We reserve the right to a) establish BluTaco Restaurant independent locations that sell and deliver the same BluTaco Products and Services that you provide within your Territory and b) sell and deliver competing products and services through "alternative channels of distribution" such as through Internet and catalog sales, toll-free telephone or any similar form of electronic commerce, telemarketing, other direct-marketing techniques, and to conduct advertisements and sales through other distribution channels both inside and outside your Territory. The BluTaco Restaurant independent locations may include those at free standing locations and those located within shopping centers and shopping malls, as well as mobile locations such as food trucks and trailers.

We will not develop, open, or operate, and will not authorize a third party to develop, open, or operate, a BluTaco Restaurant in a BWB Location using the System in your Territory.

You may solicit business inside or outside your Territory and serve customers who reside outside your Territory. There are no restrictions on your right to do so. We, our Parent and our affiliates, and our and their franchisees and licensees may solicit business inside or outside your Territory and serve customers who reside inside your Territory. There is no restriction on our or their right to do so. You will not be entitled to any compensation for orders solicited or accepted within your Territory.

You may not offer for sale, sell, or deliver the Products and Services, or any products or services similar to the Products and Services, through any alternative distribution channel.

Continuation of Territorial Rights; Modification of Territorial Rights

The continuation of your rights to the Territory does not depend on your achievement of any certain sales volume, market penetration, or other contingency. We will not alter the size of your Territory or modify your rights to the Territory if the population of your Territory increases or decreases. We may not modify your Territorial rights except as you and we may mutually agree.

Relocation of Restaurant

You may relocate the Restaurant with our prior written consent. To obtain our consent, you must: i) comply with the procedures shown in Item 11 of this Disclosure Document under the heading "Locating the Site; Negotiating the Purchase or Lease of the Site," and with other criteria we may establish; ii) close your old Restaurant and open your relocated Restaurant substantially simultaneously so that there is no break in operations; and iii) enter into our then-current form of relocation agreement. The relocation agreement will show the terms of the relocation.

If we approve a new location, the new location will be deemed to be the "Approved Location" as we use that term in the Franchise Agreement and this Disclosure Document. Any relocation of your Restaurant will be at your sole cost and expense. You must reimburse us for any costs or expenses we incur related to any relocation, like costs and expenses we incur in evaluating your replacement site, and costs and expenses we incur in connection with the relocation agreement.

Establishment of Additional Restaurants: Options, Rights of First Refusal, or Similar Rights

You do not have any options, rights of first refusal, or similar rights to develop additional Restaurants.

ITEM 13.

TRADEMARKS

We grant you the right to operate your BluTaco Franchise under the trademark BluTaco™ and any other current trademarks, trade names, service marks and/or logos we designate for use in a BluTaco Franchise the "Marks").

The Marks are owned by our parent, Pro Food Systems. Pro Food Systems has granted us the right to use the Marks and sublicense the use of the Marks to franchisees according to a License Agreement dated January 1, 2018. See paragraph below under the heading "Trademark License Agreement").

The following table sets forth the status of Federal registrations with the United States Patent and Trademark Office (the "PTO") on the Principal Register of those marks licensed to you:

Mark	Mark Type / Class	Registration Date	Registration Number
	Logo Mark Black and White)	01/22/2019	5662516
BLUTACO	Word Mark	01/22/2019	5662515
	Logo Mark	01/22/2019	5662788
	Logo Mark	02/11/2020	5984943

There are no affidavits or renewals due at this time.

Legal Proceedings

There are no currently-effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, that limit your right to use any Mark. There is no pending infringement, opposition, or cancellation proceeding involving any Mark. Neither Pro Food Systems nor we have unsuccessfully sought to prevent registration of a trademark in order to protect a trademark we license.

There is no pending material federal or state court litigation regarding Pro Food Systems' or our use or ownership rights in any Mark.

Trademark License Agreement

We and Pro Food Systems entered into a Trademark and System License Agreement. We refer to this agreement as the "Trademark License Agreement."

The Trademark License Agreement grants us the formal contractual right to use, and to authorize others to use, the Marks worldwide. It affects you because it grants us the right to license the Marks to you.

The Trademark License Agreement is dated January 1, 2018. It has a 20-year initial term. Unless we are in uncured material breach of the Trademark License Agreement, it will automatically renew for successive terms of 10 years each, unless the parties elect not to renew it.

Pro Food Systems may terminate the Trademark License Agreement if we are in material breach and the breach is not cured within 30 days. The Trademark License Agreement may be canceled or modified at any time on the written consent of both parties. We do not intend to cancel the Trademark License Agreement, and Pro Food Systems has not indicated any desire to do so. If Pro Food Systems terminates the Trademark License Agreement, or if Pro Food Systems and we mutually agree to cancel the Trademark License Agreement, you may continue to use the Marks during the term of your Franchise Agreement.

Except for the terms shown above, the Trademark License Agreement does not contain any material terms relevant to the franchise.

There are currently no other agreements in effect that significantly limit our rights to use or to license the use of the Marks in any manner material to the franchise.

Defense of Marks

We must defend the principal Marks and your right to use them. We will bear all costs of this defense. You must cooperate fully with us in the defense of the Marks. If you have provided this notice and cooperation, we must indemnify you against, and reimburse you for, all direct damages but not damages for loss of future revenue and consequential, special, multiplied, enhanced, exemplary, or punitive damages) and expenses you incur: i) due to any infringement or unfair competition claim any third party brings against you that arises out of your proper use of the Marks; and ii) if you are a party to an administrative or judicial proceeding involving a Mark we license you to use, whether the proceeding is resolved favorably or unfavorably to you.

You must notify us promptly in writing of any use of, or any claim of rights to, any mark identical to, or confusingly similar to, any Mark. We are not required to take affirmative action when you notify us of these uses or claims, but we expect to do so if it is in the best interests of the System.

We have the right to control any administrative proceeding or litigation involving any Mark we license you to use. We have sole discretion over the protection and defense of any Mark and the settlement of any administrative proceeding or litigation related to any Mark. You may not take any action with regard to this protection or defense, and you may not initiate any suit or proceeding related to the System, without our prior express written consent.

Modifications to Marks; Discontinuance; Signage Reimbursement

We will have the right at any time, on notice to you, to make additions to, deletions from, and changes to the Marks in our absolute discretion. You must adopt and use any and all of these additions, deletions, and changes as we direct, at your sole cost and expense. However, we will not change the primary name of the System from "BluTaco" or require you to change your approved BluTaco signage to some other primary name for a period of two years after the Effective Date of the Franchise Agreement unless we reimburse you for the cost of converting your approved BluTaco signage to signage using the other primary name.

If we are required to reimburse you for a signage change, we will reimburse you for the actual cost to obtain replacement signage from signage suppliers we designate; however, this reimbursement will be limited to: i) $2,000 per Restaurant; and ii) $6,000 in the aggregate. We refer to this reimbursement as the "Signage Reimbursement."

We will not be liable to you or any other party for any loss, expense, liability, damage, or damages, however characterized, and whether actual, consequential, incidental, special, multiplied, enhanced, exemplary, or punitive, for any of these additions to, deletions from, or changes to the Marks; including loss of profits, earnings, revenue, business, or expectancies, except for the Signage Reimbursement.

Prior Rights; Infringing Uses

We do not know of any superior prior rights or infringing uses that could materially affect your use of our

principal Marks in any state where the Franchised Business will be located.

ITEM 14.

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

There are no patents or registered copyrights that are material to the franchise. There are no pending patent applications that are material to the franchise.

We own the rights to the Products and Services. We claim common law rights and copyright protection in the Products and Services, as well as a number of other items you will use in the operation of your Franchised Business, including our Operations Manual and other materials and information related to the System. These other items include our marketing materials; our methods for offering for sale, selling, and delivering the Products and Services; our methods for operating your Franchised Business; and our specifications, marketing techniques, advertising programs, advertising strategies, supplier lists, expansion plans, and other information we create or use. We have not registered any of these copyrighted materials with the United States Registrar of Copyrights, although we may do so.

There are no current material determinations of the USPTO, the United States Copyright Office, or any court regarding any of our copyrights. There are no material proceedings pending in the USPTO or any court.

There are no agreements that limit our right to use or license you to use any of our copyrighted material in any manner material to your Franchised Business.

We do not have any obligation to protect any copyright. We may defend our copyrights when it is in the best interests of the System to do so. You are not required to notify us of any infringement claims. We are not required to defend or indemnify you against claims arising from your use of any items in which we claim copyright protection. We are not required to take any affirmative action if we are notified of any infringement. We have the exclusive right to control any copyright litigation. We are not required to participate in your defense or to indemnify you for expenses or damages in any proceeding involving a copyright we license to you.

We will have the right at any time, on notice, to make additions to, deletions from, and changes in any item in which we claim copyright protection. You must adopt and use all additions, deletions, and changes as we direct, at your expense.

We do not know of any patent or copyright infringement that could materially affect the franchise.

We claim proprietary rights in information that we designate as "Confidential Information" and "Trade Secrets." "Confidential Information" is information that we disclose to you that we designate as confidential, or that, by its nature, would reasonably be expected to be held in confidence or kept secret. Examples of Confidential Information are the Operations Manual and the information in it, and our training programs and the material in them. "Trade Secrets" are items that derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who may obtain economic value from their disclosure or use. Examples of Trade Secrets include all customer lists, the contact information of customers, and our recipes.

You may use the Confidential Information and Trade Secrets during the Term of the Franchise Agreement. You must maintain the confidentiality of our Confidential Information and secrecy of our Trade Secrets, during and after the Term. You may not use this information in any other business or in any manner that

we do not approve in writing, and you may not communicate, divulge, or otherwise display this information to anyone other than your personnel who have a need to know of it in order to operate your Franchised Business.

We have the right to take legal action against you if there has been an unauthorized use of our Confidential Information or Trade Secrets through you. In addition, misuse or unauthorized disclosure of our Confidential Information or Trade Secrets is a breach of the Franchise Agreement.

ITEM 15.

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Obligations

We refer to your general managers, assistant general managers, and other individuals who manage the overall operation of the Restaurant as your "Managers."

If you are a business entity, through your Managers, you must participate personally in the direct operation of the Franchised Business, and you must exercise on-premises supervision of your Restaurant. We recommend, but do not require, that your Principals be Managers and that they exercise on-premises supervision of your Franchised Business.

If you are an individual, you may participate personally in the direct operation of the Franchised Business, and you may exercise on-premises supervision of your Restaurant, although we do not require you to do so. If you do not do so yourself, you must appoint one or more Managers who participate personally in the direct operation of the Franchised Business and exercise on-premises supervision of your Restaurant. You may be a Manager, although we do not require this. We recommend that you be a Manager and that you exercise on-premises supervision of your Franchised Business and Restaurant.

Your Manager

You must conduct any background investigations, aptitude screenings, and other screenings as we may prescribe, on each prospective Manager. The prospective Manager must pass these investigations and screenings.

Your Managers are required to attend, and complete successfully, Manager Training.

Each Manager must: i) devote the amount of time and effort required to manage the Restaurant in compliance with the Franchise Agreement and our requirements; ii) have day-to-day management responsibility for your Restaurant; and iii) personally participate in the direct operation of the Restaurant.

You must cause your Managers to maintain the confidentiality of our Confidential Information and the secrecy of our Trade Secrets.

We do not require your Managers to have any equity interest in you.

Except as shown above, we do not require you to place restrictions on your Manager.

You Are an Independent Contractor

You are an independent contractor. Neither you nor any employee of yours will in any manner be construed to be an employee of ours for any purpose.

ITEM 16.

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Restrictions or Conditions on Products and Services that You May Sell

We do not assert any right to control the products and services you offer, with two exceptions: i) you must offer for sale all BluTaco Products and Services that we direct you to offer; and ii) you may not offer for sale any products, equipment, services, supplies, or merchandise that are substantially the same as the BluTaco Products and Services, or that we have directed you not to offer. We may add to, delete from, and modify the list of Products and Services as we deem appropriate. There is no limitation on our right to do so.

We do not impose any other restrictions or conditions on you that limit your access to customers.

ITEM 17.

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the franchise term	Franchise Agreement: Section 2	Continues in effect until either party terminates.
	Gold Addendum: Section 3.1	5 years
	Silver Addendum: Section 2.1	3 years
b. Renewal or extension of the term	Franchise Agreement: None	No renewal because Franchise Agreement continues in effect until either party terminates.
	Gold Addendum: Section 3.1	Automatically renews for consecutive 5-year terms unless one party notifies the other that it will not renew.
	Silver Addendum: Section 2.1	Automatically renews for consecutive 3-year terms unless one party notifies the other that it will not renew.
c. Requirements for franchisee to renew or extend	None	Not applicable.
d. Termination by franchisee	Franchise Agreement: Section 15.a	You may terminate on 30 days' written notice. Subject to state law
	Gold Addendum: Section 3.1	You may terminate under any grounds permitted by law.
e. Termination by franchisor without cause	Silver Addendum: Section 2.1	You may terminate under any grounds permitted by law.
	None	Not applicable. We cannot terminate the Franchise Agreement without cause.

Provision	Section in Franchise or Other Agreement	Summary
f. Termination by franchisor with cause	Franchise Agreement: Section 15.b	We may terminate if you commit: i) any one of several listed breaches; or ii) any other breach of the Franchise Agreement.
g. "Cause" defined – curable defaults	Franchise Agreement: Section 15.b.	10 days to cure if you commit any breach of the Franchise Agreement not specifically enumerated in Section 15.bi. of the Franchise Agreement.
h. "Cause" defined – non-curable defaults	Franchise Agreement: Section 15.b.i	No opportunity to cure if: i) you do not allow us to inspect your Restaurant, or if you do not provide us with all assistance we may request in the course of any inspection; or ii) you commit any breach of the Franchise Agreement that is not susceptible of cure.
i. Franchisee's obligations on termination/ nonrenewal	Franchise Agreement: Section 16	You must: i) cease all use of the System; ii) pay us all money you owe; iii) return all Confidential Information; iv) allow us to purchase the assets of your former Restaurants; and v) comply with our then-current de-identification requirements.
j. Assignment of contract by franchisor	None	We may assign any or all of our rights and may delegate any or all of our obligations. We are not required to obtain your consent to any assignment or delegation. After any assignment, you must deliver to the assignee performance of all rights that we assigned. After any delegation, you must look solely to the delegatee, and not to us, for the performance of all obligations that we delegated. We may also, without your consent, transfer the ownership in us, and may engage in a public offering of equity.
k. "Transfer" by franchisee – defined	None	"Transfer" means the sale, assignment, delegation, transfer, conveyance, gift, pledge, mortgage, encumbrance, or hypothecation of any "Interest." An "Interest" is: i) any direct, indirect, or beneficial interest in you, or of any Principal in you, the Franchised Business, the Franchise Agreement, the Franchise, any Approved Location, any Restaurant, or substantially all of the assets of the Franchised Business; and ii) you, the Franchised Business, the Franchise Agreement, the Franchise, any Approved Location, or any Restaurant.
l. Franchisor approval of transfer by franchisee	Franchise Agreement: Section 14	We have the right to withhold our consent to a Transfer of any Interest. We will not unreasonably withhold our consent.
m. Conditions for franchisor approval of transfer	None	The conditions for Transfer are: i) you must obtain our written consent prior to the transfer; i) the transferee and its equity holders must meet our Principal Qualifications; ii) you must satisfy all monetary and other obligation with us iii) at all times during the Term, you must have been in substantial compliance with all agreements and the Operations Manual; iv) at the time of Transfer, you must be in compliance with all agreements; v) you, Principals, transferor, and transferee must sign our then-current form of transfer agreement; vi) if the Transfer is a Transfer of you, all or substantially all of your assets, any Restaurant, all or substantially all of the assets of any Restaurant, the Franchised Business, all or substantially all of the assets of the Franchised Business, or the Franchise, the transferee must enter into our then-current form of

Provision	Section in Franchise or Other Agreement	Summary
		franchise agreement, which may contain provisions that differ materially from the provisions of your Franchise Agreement; vii) the transferee must agree to Renovate the Restaurant; viii) the transferee and, if applicable, the transferee's Managers, must complete any training programs then in effect for new franchisees; and ix) the transferor or transferee must reimburse us for all costs and expenses we incur in connection with the Transfer. In the event of the transfer of ownership of your store, you must notify, our Parent, Pro Food Systems, Inc. "PFS"), of such sale.. You must satisfy all monetary and other obligation with PFS within 10 days of the closing of sale.
n. Franchisor's right of first refusal to acquire franchisee's business	None	Not applicable. We do not have a right of first refusal to acquire your Franchised Business.
o. Franchisor's option to purchase franchisee's business	None	In case of termination or nonrenewal, we may be required to purchase assets at market value. Subject to state law.
p. Death or disability of franchisee	None	The person acquiring your interest must be capable of conducting the Franchised Business.
q. Non-competition covenants during the term of the franchise	None	You and your Principals and Managers may not divert any business from the Restaurant, the Franchised Business, the System, or other systems we or our Parent or affiliates may operate.
r. Non-competition covenants after the franchise is terminated or expires	None	Not applicable. We do not prohibit you from competing with us after your Franchise Agreement terminates.
s. Modification of the agreement	None	No modification without your and our written agreement, but we may change the Operations Manual and modify the System without your consent.
t. Integration/merger clause	Franchise Agreement: Section 18.a	Only the terms of the Franchise Agreement, schedules, addenda, and Franchise Disclosure Document are binding subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement are not enforceable.
	Gold Addendum: Section 6.1	
	Silver Addendum: Section 4.1	
u. Dispute resolution by arbitration or mediation	Franchise Agreement: Section 17.c	All disputes must be resolved exclusively by litigation. Subject to state law.
	Gold Addendum: Section 6.2	
	Silver Addendum: Section 4.2	
v. Choice of forum	Franchise Agreement: Section 17.iii	Subject to state law, all litigation must take place in a federal or state court having jurisdiction over the subject matter in the place where our principal business office is located, subject to state law. Our principal business office is currently located in Holts Summit, Missouri.
	Gold Addendum: Section 6.2	
	Silver Addendum: Section 4.2	

Provision	Section in Franchise or Other Agreement	Summary
w. Choice of law	Franchise Agreement: Section 17.iii	Subject to state law, Delaware law applies.
	Gold Addendum: Section 6.2	
	Silver Addendum: Section 4.2	

Applicable state law may require additional disclosures related to the information in this disclosure document. These additional disclosures appear in Exhibit C to this disclosure document.

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 Shawn Burcham at BluTaco Franchising, LLC, 120 Commerce Drive, Holts Summit, Missouri 65043, 573) 896-2500, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20.

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For the years 2023 to 2025

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2023	33	33	0
	2024	33	28	-5
	2025	28	26	-2
Company-Owned	2023	1	1	0
	2024	1	1	0
	2025	1	0	-1
Total Outlets	2023	34	34	0
	2024	34	29	-5
	2025	29	26	-3

Table No. 2

Transfers of Outlets from Franchisees
to New Owners Other than the Franchisor)
For the years 2023 to 2025

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Kansas	2023	0
	2024	0
	2025	1
Oregon	2023	1
	2024	0
	2025	0
Total	2023	1
	2024	0
	2025	1

Table No. 3

Status of Franchised Outlets
For the years 2023 to 2025

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations-Other Reasons	Col. 9 Outlets at End of the Year
Alabama	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Arkansas	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
California	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Georgia	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Idaho	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	1	2
Illinois	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
Kansas	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Minnesota	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	1	2
Missouri	2023	4	0	0	0	0	2	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Montana	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations-Other Reasons	Col. 9 Outlets at End of the Year
	2025	4	0	0	0	0	0	4
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
North Dakota	2023	3	0	0	0	0	1	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Ohio	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	1	0
Oregon	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	1	2
	2025	2	0	0	0	0	1	1
Pennsylvania	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
South Dakota	2023	3	0	0	0	0	1	2
	2024	2	0	0	0	0	1	1
	2025	1	0	0	0	0	1	0
Texas	2023	2	0	0	0	0	1	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Utah	2023	1	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Washington	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Wisconsin	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Wyoming	2023	1	0	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Termina-tions	Col. 6 Non-Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations-Other Reasons	Col. 9 Outlets at End of the Year
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Total	2023	33	5	0	0	0	5	33
	2024	33	0	0	0	0	5	28
	2025	28	4	0	0	0	6	26

Table No. 4

Status of Company-Owned Outlets
For the years 2023 to 2025

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Missouri	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	1	0	0
Totals	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	1	0	0

Table No. 5

Projected Openings
As of December 31, 2025
(for next fiscal year)

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Open	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets Next Fiscal Year
Idaho	0	2	0
Illinois	1	0	0
Missouri	0	3	0

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Open	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets Next Fiscal Year
Total	1	5	0

Notes:

We do not know of any trademark-specific franchisee organization associated with the System.

Currently, there are no franchisee associations.

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

Within the last three years, no current or former franchisees have signed a confidentiality clause.

Listed in Exhibit F are the franchisees who have had an outlet terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recent completed fiscal year or who has not communicated with the franchisor within 10 weeks of the disclosure document issuance date.

ITEM 21.

FINANCIAL STATEMENTS

Exhibit E is our audited financial statements dated as of December 31, 2023, December 31, 2024, and December 31, 2025.

ITEM 22.

CONTRACTS

The following agreements are attached to this Disclosure Document.

BluTaco Franchise Agreement	Exhibit A
Gold and Silver Addenda to Franchise Agreement	Exhibit B to Disclosure Document
Form of Release, Estoppel, Covenant Not to Sue, Indemnification	Exhibit H to Disclosure Document
BluTaco Acknowledgment Statement	Exhibit I to Disclosure Document
Disclosure Document Receipts	Exhibit J to Disclosure Document

ITEM 23.
RECEIPTS

Exhibit J contains detachable documents acknowledging your receipt of this Disclosure Document with all exhibits attached.

EXHIBIT A

BLUTACO FRANCHISING, LLC

BLUTACO FRANCHISE AGREEMENT

BluTaco Franchising, LLC
120 Commerce Drive
Holts Summit, Missouri 65043
(573) 896-2500

BLUTACO FRANCHISE AGREEMENT
FOR BUSINESS WITHIN-A-BUSINESS LOCATIONS

THIS AGREEMENT (the "Agreement") is made and entered into on _____, (the "Effective Date"), by and between BLUTACO FRANCHISING, LLC, a Delaware limited liability company ("we," "us," or "our"), and _____ ("you" or "your"), for the BluTaco outlet at the address shown on Attachment 1 to this Agreement (the "Restaurant(s)").

RECITALS

A. We own the right to use, and to license others to use, the trademark "BluTaco" and trademarks, trade names, service marks, logotypes, trade dress, and other commercial symbols related to the trademark "BluTaco" (collectively, the "Marks").

B. We have acquired and have further developed a unique concept and system for the development, opening, and operation of restaurants that sell a line of food, beverages, merchandise, and miscellaneous items we designate (collectively, the "Products and Services"), using: (i) our rules, guidelines, standards, specifications, plans, programs, and procedures (collectively, our "Standards and Specifications"); (ii) our designs, business formats, training, expertise, know-how, and confidential information; (iii) our recipes; and (iv) our advertising and promotional materials (all of which, together with the Marks, are referred to collectively in this Agreement as the "System"), all of which System is subject to change, improvement, and further development by us from time to time.

C. You are a skilled and experienced business professional. You have an existing retail outlet (your "Store"), or you are developing one. You have applied to us for a franchise to use the System to operate the Restaurant(s) in the Store(s), and we want to grant you a franchise to use the System to operate the Restaurant(s) in the Store(s).

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and commitments set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency all of which you and we hereby acknowledge, you and we hereby agree as follows:

1. **Grant of Franchise**. We hereby grant to you, and you hereby accept from us, a franchise (the "Franchise") to develop, open, and operate the Restaurant(s) in compliance with this Agreement.

2. **Term**. The term of this Franchise Agreement shall commence on the "Opening Date," which is defined as the date when the operation of the Franchised Business officially begins. The commencement of operations is marked by the first transaction processed through the Point of Sale (POS) system.

a. Approval of Opening Date. The Opening Date must be approved in writing by the Franchisor. The Franchisee shall not commence operations without obtaining such approval.

b. Duration. The term of this Agreement shall continue for a period of ten (10) years from the Opening Date, unless terminated earlier in accordance with the provisions of this Agreement.

3. **Fees**.

a. Initial Fee. You are not required to pay an initial franchise fee in relation to this Agreement.
b. Royalty. You are not required to pay a continuing royalty in relation to this Agreement.

4. **Development of Restaurant(s); Territory**.

a. Proposed Site. We will review the proposed site for the Restaurant(s). Because you will operate your Restaurant(s) within an existing business of yours, you will have the Proposed Site before you sign the Franchise Agreement. We will evaluate your Proposed Site before we enter into the Franchise Agreement with you. If you do not have a site we approve, we will not enter into the Franchise Agreement.
b. Approved Location. You will develop and operate the Restaurant(s) only at the address shown on Attachment 1 to this Agreement, in the Store(s).

c. Territory. Your territory (your "Territory") will consist of the shell of the Store(s). Inside your Territory, we will not operate, and we will not authorize others to operate, restaurants using the System. Outside your Territory, we may operate, and we may authorize others to operate, restaurants using the System at any location, even if they compete with you.

d. Site Improvements. You will make the site improvements and install the furniture, fixtures, equipment, décor, and signage at the Restaurant(s) that we require. We will consult with you regarding the design, construction, remodeling, equipping, and decorating of the Restaurant(s); provided, however, it will be your sole responsibility to design, construct, remodel, equip, decorate, ready, and open the Restaurant(s) in compliance with this Agreement.

5. **Opening Deadline**.

a. You shall open the Restaurant for regular business operations no later than eighteen (18) months after the Effective Date (the "Opening Date"). For purposes of this Agreement, "Opening Date" means the date when the operation of the Restaurant officially begins, marked by the first transaction processed through the Point of Sale (POS) system. If you fail to open the Restaurant for regular business operations on or before the Opening Date, such failure shall constitute a breach of the Agreement, and we reserve the right to terminate the Agreement with no opportunity to cure.

6. **Training and Assistance**.

a. Managers; Manager Training. You will appoint one or more individuals to exercise overall control over the Restaurant(s) (such individuals being referred to as the "Managers"). We will provide you with our training for Managers (the "Manager Training"). Your Managers must attend, and successfully complete Manager Training. We will not charge you any fee for training a reasonable number of Managers at your Store(s). If we train an unreasonable number of Managers, we may require you to pay us a fee for the training and to reimburse us for our costs and expenses of providing such training.

b. Opening Assistance.

i. Retail Growth Advisor. We will furnish a representative (the "Advisor") to your Restaurant(s). The Advisor will provide you with advice related to developing and opening your Restaurant(s). We will not charge you any fee for the Retail Growth Advisor.

ii. Corporate Trainer. We may, at our discretion, provide you with a trainer (the "Corporate Trainer") to assist in the opening process. We will not charge you any fee for the Corporate Trainer.

iii. Your Staffing. You will staff the Restaurant(s) with your employees to train with the Retail Growth Advisor and Corporate Trainer.

iv. Training Charges for Unpreparedness. If we arrive at your Restaurant and find you are unprepared to train or prevent the Restaurant from opening, you must pay us a minimum of Three Thousand Five Hundred Dollars ($3,500). If Three Thousand Five Hundred Dollars ($3,500) does not cover the travel expenses of the training team, we reserve the right to charge the actual travel expenses incurred.

c. Continuing Assistance. We will make available to you, at no additional charge: (i) subject to the availability of our personnel, at times we determine, with reasonable periodic or continuing individual or group assistance and consultation; and (ii) with such bulletins, brochures, and reports as we may from time to time publish regarding our plans, policies, marketing research, testing, developments, and activities (collectively, the "Assistance").

7. **Advertising; Press Releases and Promotions**.

a. If We Provided Advertising. You may use advertising materials that we have provided to you. Such use must comply with this Agreement and our Standards and Specifications.

b. If We Have Not Provided Advertising. If you want to use advertising materials that we have not provided to you, you must submit the advertising materials to us for our approval before you use them. We will have ten (10) days in which to approve or disapprove the materials. If we have not disapproved the use of the materials by the end of ten (10) days after we receive them, they will be deemed approved.

c. Press Releases; Promotions; Compliance. You may not: (i) issue any press release or similar promotion related to the Restaurant(s) unless we expressly approve the press release or promotion in writing in advance; or (ii) conduct any advertising or promotional activities that fall outside our Standards and Specifications.

8. **Products, Equipment, Services, Supplies, and Merchandise**.

a. Sources. You must purchase, license, or otherwise obtain all products, equipment, services, supplies, and merchandise that we specify only from us, from our affiliates, from suppliers we designate, or from suppliers you select and we approve.

b. Right to Receive Revenue, Profits, and Other Benefits. You acknowledge and agree that: (i) we and our affiliates may enter into agreements with third parties, pursuant to which we and our affiliates may derive revenue, profits, and other benefits, such as rebates, discounts, and allowances, as a result of purchases we require you to make from such third parties; and (ii) we may require you to purchase products, equipment, services, supplies, and merchandise from us and our affiliates, and that we and our affiliates may derive revenue, profits, and other benefits from purchases we require you to make from us and such affiliates.

9. **Use of Marks; Limitation on Use of Marks**.

a. Use of Marks. You agree that you will: (i) use and display the Marks only in relation to the operation of the Restaurant(s); and (ii) use and display the Marks only in the form, manner, and locations that we approve or direct.

b. Limitations on Use of Marks. You agree that unless we expressly authorize you to do so in writing, you will not: (i) use or display the Marks in relation to any business or activity other than the operation of the Restaurant(s); (ii) use any trademark, trade name, service mark, logotype, other commercial symbol, or trade dress, other than the Marks, as a primary identifier of the Restaurant(s); (iii) offer the Products and Services, or any other products, equipment, services, supplies, or merchandise, under the Marks, except as set forth in this Agreement; (iv) use or display the Marks except in the form, manner, and locations that we specifically approve or direct; (v) use or register any Mark, any part of any Mark, or anything similar, as part of your name or the name of any entity related to your activities; (vi) use or register any Mark, any part of any Mark, or anything similar, as a part of any Internet domain name, social media site name, user name, or like name; (vii) use any Mark in any manner that may injure or disparage us or our reputation; or (viii) take any action that may harm or jeopardize any Mark, or our ownership of such Mark, in any way.

10. **Your Obligations**.

a. Compliance with Laws. You must develop, open, and operate the Restaurant(s) in compliance with all applicable constitutions, statutes, rules, regulations, ordinances, and case law (collectively, the "Laws").

b. Compliance with Agreement, Operations Manual, and Standards and Specifications. You must develop, open, and operate your Restaurant(s) in compliance with this Agreement, our Operations Manual, and our Standards and Specifications.

c. Products and Services. You must offer for sale all Products and Services that we direct you to offer. You must use reasonable commercial efforts to sell all Products and Services that we direct you to offer. We list our current Products and Services on Attachment 2 to this Agreement. We may add to, delete from, and modify such list and the Products and Services on it from time to time. We may not require you to offer all Products and Services at the Restaurant(s). You may not offer for sale any products, equipment, services, supplies, or merchandise that: (i) are substantially the same as the BluTaco Products and Services; or (ii) we have directed you not to offer.

d. If you breach any provision of Section 10 ("Inspections") of this Agreement, and fail to cure such breach within seven (7) days of receipt of the certified notice, this will result in One Hundred and No/100 Dollars ($100) PER DAY fee. You shall pay us the fee on or before the tenth (10th) day after we demand the payment of such fee

e. Payment. You must pay all amounts you owe us, our affiliates, and your other suppliers within their required credit terms.

f. Confidentiality. "Confidential Information" means any information that we disclose to you that we designate as confidential; or that, by its nature, would reasonably be expected to be held in confidence or kept secret. All of the following shall conclusively be deemed to be "Confidential Information" whether or not we designate them as such: (i) all information that we have marked or designated as confidential; (ii) our Operations Manual, together with all similar directives and documentation; (iii) our training programs and the material contained in them; (iv) our Standards and Specifications; (v) our cost information; and (vi) all other information that we provide to you in confidence.

    i. You agree that: (i) we own the Confidential Information; and (ii) the Confidential Information shall remain our sole and exclusive property.

    ii. You will: (i) hold all Confidential Information in confidence; (ii) not use, discuss, communicate, or transmit to others, or make any unauthorized copy of or use Confidential Information in any capacity, position, or business except the Restaurant(s) franchised under this Agreement or a restaurant(s) franchised under some other BluTaco franchise agreement; (iii) take all reasonable action that we specify to prevent unauthorized use or disclosure of the Confidential Information, and to protect our interests in the Confidential Information; and (iv) at all times use your best efforts to prevent unauthorized copying or disclosure of any and all Confidential Information.

g. Renovation. You must renovate the Restaurant(s), and renovate or replace the Restaurant's furniture, fixtures, equipment, décor, and signage, from time to time as we direct, at your sole cost and expense, to conform the Restaurant(s) to: (i) our then-current Standards and Specifications; and (ii) our judgment as to the condition, state of repair, functionality, and general appearance of your Restaurant(s), furniture, fixtures, equipment, décor, and signage compared to the condition, state of repair, functionality, and general appearance that we consider desirable.

h. GRITT Summit and Franchise Advisory Meeting Attendance. You will send at least one (1) individual to the annual GRITT Summit and Franchise Advisory Meeting. This person should be a decision maker or manager for the Restaurant(s). You will pay the registration fees and travel expenses associated with attending these events.

11. **Inspections**. You agree that: (i) we may, at any time the Restaurant(s) is required to be or is in fact open for business, without notice, enter onto the premises of the Restaurant(s) to determine your compliance with this Agreement; (ii) we may examine, inspect, and photograph, and videotape all areas and aspects of the Restaurant; and (iii) you and your personnel will provide us with all assistance we may request in the course of any such inspection.

12. **Reports, Documents, and Data; Use of Information**.

a. Reports, Documents, and Data.

i. We may request that you provide us with continuing and other reports, documents, and data related to the Restaurant(s). If we request such items, you will prepare and deliver the items we requested to us so that we actually receive them by end of the date we specify.

ii. We may request that suppliers provide us with reports, documents, and data related to your purchases. You hereby authorize such suppliers to prepare and deliver the items we may request.

b. Use of Information. You hereby authorize us to incorporate: (i) in our franchise disclosure documents; (ii) in bulletins, reports, and other memoranda; and (iii) in any advertising and promotional materials, information we derive from the reports, documents, and data you or your suppliers are required to provide to us.

13. **Indemnification and Insurance**.

a. Indemnification. You will, at your sole cost and expense, defend, indemnify, and hold harmless us and our affiliates, and our and such affiliates' directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the predecessors, successors, heirs, and assigns of any and all of them (collectively, the "Indemnitees"), from and against any and all obligations, debts, claims, demands, rights, actions, causes of action. loss, losses, damage, damages (actual, consequential, multiplied, enhanced, exemplary, punitive, and otherwise), expenses, costs, liability, and liabilities, of any nature or kind, including without limitation attorneys' fees and costs (collectively, the "Losses"), arising out of or related to any action, suit, proceeding, claim, demand, or investigation (collectively, the "Claims"), arising out of or related to: (i) this Agreement; (ii) the Restaurant(s); or (iii) the business relationship between you and us (collectively, your "Indemnification Obligations").

b. Insurance. You will obtain and maintain, at your sole cost and expense, the insurance policies and coverages we require, in forms and through insurance companies satisfactory to us.

14. **Transfer**.

a. The Franchise granted under this Agreement is granted to you only. You may not, without our prior express written consent, transfer, assign, subfranchise, or otherwise authorize others to use any direct, indirect, or beneficial interest of yours in or to this Agreement, the Franchise granted under this Agreement, the System, or the other rights we grant you in relation to this Agreement.

b. In the event of the transfer of ownership of your store(s), you must notify our parent company, Pro Food Systems, Inc. ("PFS"), of such sale. You must satisfy all monetary and other obligation with PFS within 10 days of the closing of sale.

15. **Termination**.

a. Termination by You. You may terminate this Agreement at any time on thirty (30) days' written notice of termination to us.

b. Termination by Us.

i. Immediate Termination. We may terminate this Agreement immediately on notice of termination to you: (i) if you breach any provision of Section 10 ("Inspections") of this Agreement; or (ii) if you commit any breach of this Agreement that is not reasonably susceptible of cure.

ii. Termination with Opportunity to Cure. We may terminate this Agreement after ten (10) days' written notice of breach to you and your failure to cure such breach by the end of such cure period, if you breach any provision of this Agreement not described in Section 14.b of this Agreement.

c. Reimbursement of Training Costs. Notwithstanding anything set forth in this Agreement to the contrary: (i) if you terminate this Agreement anytime within the Initial Term of this Agreement, you must pay us Seven Thousand Five Hundred Dollars ($7,500) together with your notice of termination; or (ii) if we terminate this Agreement within the Initial Term of this Agreement due to your breach, you must pay us Seven Thousand Five Hundred and Dollars ($7,500) so that we actually receive such payment by the end of ten (10) days after we demand such payment, to reimburse us for our training costs and expenses.

16. **Obligations on Termination**. On termination of this Agreement for any reason, you will immediately: (i) cease all use of the System; (ii) pay us and our affiliates all amounts you owe; (iii) return all Confidential Information, and all copies of all Confidential Information, to us; and (iv) comply with our then-current de-identification requirements.

a. If your store has not been de-identified within seven (7) days after the effective date of termination or expiration, then you must pay us a "De-Identification Fee" equal to One Thousand Dollars ($1,000) per day that your store is not de-identified following such termination. For example, purposes, if your store's signage was not removed until the 15th date after the effective termination, the De-Identification Fee will equal Eight Thousand and Dollars ($8,000). You shall pay us the De-Identification Fee on or before the tenth (10th) day after we demand the payment of such fee.

17. **Miscellaneous Provisions**.

a. Notices.

i. Any notice or document required or permitted to be delivered hereunder shall be hand delivered, sent via Certified or Registered mail, sent by overnight courier, or sent via email. It shall be deemed to be delivered and received whether actually received or not as follows: (1) three days after being deposited in the United States Mail, postage prepaid, Certified or Registered Mail; (2) upon execution of written receipt when hand delivered; (3) one day after being sent via overnight courier; or (4) upon the sender either receiving confirmation that the email transmission was completed successfully or no error or bounce back message was received. The parties' information for notice purposes is set forth below their signatures.

ii. You and we will direct notices to the other, to the address for the other set forth on Schedule A to this Agreement.

b. Further Assurances. You agree that: (i) you will perform such acts, and will execute and deliver such agreements and other documents to us, as we may deem necessary or beneficial to effect the intent of this Agreement; (ii) you will not condition or delay the performance of such acts or the execution and delivery of such agreements and other documents; and (iii) you will deliver such agreements and other documents to us so that we actually receive them by the end of thirty (30) days after we deliver them to you for execution.

c. Dispute Resolution.

i. Litigation. In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, such dispute shall be resolved exclusively through litigation. Such litigation shall be conducted on an individual, not a class-wide, basis. No litigation under this Agreement may be consolidated with any other litigation involving us and any other person without our prior written consent.

ii. Governing Law. The existence, validity, construction, enforcement, and sufficiency of performance of this Agreement shall be determined exclusively in accordance with, and governed exclusively by, the laws of the State of Delaware applicable to agreements made and to be entirely performed within the State of Delaware, which laws shall prevail in the event of any conflict of laws. Notwithstanding the foregoing, all litigation hereunder, to the extent governed by the United States Trademark Act of 1946, shall be governed by such Trademark Act of 1946.

iii. Forum, Venue, and Jurisdiction. In the event of any litigation arising out of or related to this Agreement, including without limitation any litigation arising out of or related to the making of this Agreement, the exclusive forum and venue for such litigation shall be a state or federal court having jurisdiction over the subject matter in or for the city or county where our principal place of business is located. You hereby irrevocably accept and submit to, generally and unconditionally, the exclusive jurisdiction of any such court in any such action or proceeding and hereby waive all defenses based on jurisdiction, venue, and forum non conveniens.

iv. WAIVER OF TRIAL BY JURY. YOU AND WE HEREBY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATED TO: (I) THIS AGREEMENT; (II) THE RESTAURANT(S); AND (III) THE BUSINESS RELATIONSHIP BETWEEN YOU AND US.

v. Attorneys' Fees. In the event of any dispute arising out of or related to this Agreement, including without limitation any dispute arising out of or related to the making of this Agreement, the non-prevailing party shall pay the prevailing party, on demand, such prevailing party's costs, including without limitation such prevailing party's reasonable attorneys' fees and costs, and further including without limitation such prevailing party's reasonable attorneys' fees and costs of appeal, and further including without limitation such prevailing party's reasonable attorneys' fees and costs of collection, all of which shall be taxed as costs, so that the prevailing party actually receives such amounts by the end of ten (10) days after demand therefor. In the event of any breach of this Agreement, the breaching party shall pay the non-breaching party such non-breaching party's costs related to such breach, including without limitation such non-breaching party's costs related to such breach, including without limitation such

non-breaching party's reasonable attorneys' fees and costs, and further including without limitation such non-breaching party's reasonable attorneys' fees and costs of collection, so that the non-breaching party actually receives such amounts by the end of ten (10) days after demand therefor.

d. Relationship of the Parties. You acknowledge and agree that: (i) the relationship between you and us is solely and exclusively an independent contractual relationship; (ii) you do not have any right, power, or authority to obligate or to bind us, legally or otherwise; (iii) nothing in this Agreement may be construed to create a partnership or a joint venture, or an agency, fiduciary, or employment relationship; (iv) we will not be liable for any damages to any person or property that directly or indirectly arise out of or relate to the Store(s) or the Restaurant(s); and (v) except as otherwise set forth in this Agreement, we do not have control or any right of control over your business.

18. Construction of Agreement.

a. Merger; Entire Agreement. This Agreement, including the schedules and addenda to this Agreement and the Franchise Disclosure Document, is a complete integration that sets forth the entire agreement between you and us, fully superseding any and all prior negotiations, agreements, representations, and understandings between you and us, whether oral or written, related to the subject matter of this Agreement. Nothing within this Agreement, including schedules and addenda to this Agreement is intended to disclaim the representations made within our Franchise Disclosure Document. You and we hereby expressly agree that there are no other oral or written agreements, "side-deals," arrangements, or understandings between you and us except as expressly set forth in this Agreement.

b. Interpretation. The Recitals to this Agreement shall be construed as a material and enforceable part of this Agreement for all purposes, and shall in no event be considered prefatory material or mere surplus. Except as otherwise set forth in this Agreement, the language of this Agreement shall be construed simply according to its fair meaning and not strictly for or against either party. Both parties are skilled and experienced business professionals, and both have contributed to the negotiation and drafting of this Agreement. As a result, in no event may any adverse construction of this Agreement be attributed to either party as the drafting party. The word "including" means "including without limiting the scope or generality of" any requirement or description related to such word. Where this Agreement uses the word "expressly," it means that the matter at issue must be stated with specificity, and not left to inference or implication.

c. Survival of Obligations. All obligations of this Agreement that expressly or by their nature require performance after the termination or expiration of this Agreement, or that by their nature would reasonably be expected to continue in effect after termination or expiration of this Agreement, shall continue in full force and effect after and notwithstanding this Agreement's termination or expiration, until they are satisfied in full or by their nature expire. Such obligations shall include, without limitation, provisions applicable to: (i) your obligations on termination or expiration; (ii) the protection of the Marks; (iii) Confidential Information; (iv) indemnification; and (v) dispute resolution. The provisions of this Agreement may be enforced through specific performance. We are entitled to all remedies at law or in equity to protect our rights, including without limitation injunctive relief and specific performance. Bond is hereby waived should we seek any injunctive relief or specific performance.

d. Authority to Enter Into Agreement. The parties hereby attest that they are fully authorized to enter into this Agreement.

e. Submission of Agreement. Submission of this Agreement to you does not constitute an offer to enter into a contract. This Agreement shall become effective only on its execution by you and us, and shall not be binding on us unless and until it is signed by our authorized officer and delivered to you.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties to this Agreement, intending to be legally bound hereby, have duly executed and delivered this Agreement as of the Effective Date.

US:
BLUTACO FRANCHISING, LLC

By: _____
Shawn Burcham
Title: Founder & Chief Executive Officer

YOU:

_____
PRINT FULL LEGAL NAME OF COMPANY

By: _____

_____
PRINT FULL NAME OF PERSON SIGNING THIS AGREEMENT

Title: _____

Fractional Franchise

If you are not in one of the following states, California, Hawaii, Illinois, Maryland, New York, North Dakota, Rhode Island, or Washington, and you meet the following two conditions, you are eligible to be treated as a fractional franchise. By checking the boxes below and initialing each condition, you are confirming that (i) you meet the requirements of a fractional franchisee and (ii) you are acknowledging that, as a fractional franchisee, you will not be issued a Franchise Disclosure Document.

		Initial
☐	The franchisee, any of the franchisee's current directors or officers, or any current directors or officers of a parent or affiliate, has more than two (2) years of experience in the same type of business; and	_____ Us _____ You
☐	The parties have a reasonable basis to anticipate that the sales arising from the relationship will not exceed 20% of the franchisee's total dollar volume in sales during the first year of operation.	_____ Us _____ You

You hereby covenant, warrant, represent, and agree that you will not: (i) make or raise any claim, counterclaim, crossclaim, affirmative defense, or demand; (ii) commence, or cause or permit to be commenced; (iii) prosecute, or cause or permit to be prosecuted; or (iv) assist or cooperate in the commencement or prosecution of, any suit or action at law or in equity or otherwise, any arbitration or like proceeding, or any administrative or agency proceeding, alleging, claiming, or raising any matter contrary to the matters set forth above regarding the Fractional Franchise.

ATTACHMENT 1 TO
FRANCHISE AGREEMENT

ADDRESSES AND CONTACT INFORMATION; EQUIPMENT; SPECIAL TERMS AND CONDITIONS

1. **Approved Location**. The Restaurant(s) address and contact information are:

Store(s) Name: _____
Address: _____
_____
_____
_____
Contact Person: _____
Store(s) Phone Number: _____
Mobile Number: _____
Email Address: _____

2. **Your Corporate Address**. Your billing address and contact information are:

Corporate Name: _____
Address: _____
_____
_____
_____
Contact Person: _____
Corporate Number: _____
Mobile Number: _____
Email Address: _____

3. **Your Address for Delivery of Notices**. Your address for delivery of notices and the person to whom we must direct notices are:

Address: _____
_____
_____
_____
Attention: _____

4. **Our General Address**. Our general address and contact information are:

Address: P.O. Box 160
Holts Summit, Missouri 65043
Office Number: (888) 581-9188
Fax Number: (573) 896-9583

5. **Our Addresses for Delivery of Notices**.

5.1 Our address for delivery of notices that you send by courier (e.g., UPS or Federal Express) and the person to whom you must direct such notices are:

Address: 120 Commerce Drive
Holts Summit, Missouri 65043
Attention: President

5.2 Our address for delivery of notices that you send by certified or registered U.S. mail and the person to whom you must direct such notices are:

Address: P.O. Box 160
Holts Summit, Missouri 65043
Attention: President

6. **Special Terms and Conditions**:

ATTACHMENT 2 TO
FRANCHISE AGREEMENT

Current Products and Services

BLUTACO REQUIRED ITEMS:

- TORTILLAS
  - FLOUR TORTILLA, 10”
  - BLUE CORN/FLOUR TORTILLA, 5.5”
- RICE & BEANS
  - SPANISH RICE
  - REFRIED BEANS
- SAUCES
  - BLUTACO TEXAS RED SAUCE
  - BLUTACO GREEN TOMATILLO GREEN SALSA
  - WHITE QUESO
  - DIPPING CUP SASSY SAUCE
- PROTEINS
  - FULLY COOKED CHICKEN BREAST STRIPS
  - FULLY COOKED BEEF CRUMBLES
  - PULLED PORK
- CHEESE
  - 5-CHEESE BLEND
- DESSERTS
  - GOOEY BROWNIE BLISS
- PACKAGING
  - SM 6OZ CRUISER BOWL
  - SM CRUISER BOWL LID PIN VENT
  - MD 16 OZ CASSEROLE BLK
  - 16 OZ CASSEROLD LID CLR

BLUTACO (GOLD) REQUIRED BREAKFAST ITEMS:

- CHOOSE 1 MINIMUM OF:
  - BISCUIT BUTTERMILK SIMPLE SPLIT
  - BUTTERMILK BISCUIT DOUGH SPLIT RAW
  - CROISSANT 2 OZ SLICED ALL MARGARINE
- POTATO HASHSTIX
- APPLEWOOD SMOKED BACON
- HAM HICKORY SMOKED
- SAUSAGE FULLY COOKED PATTIES
- CHEESY EGG PATTY
- SAUSAGE GRAVY

OPTIONAL ITEMS:

- RICE & BEANS
  - BLACK BEANS
- PACKAGING
  - 12-INCH FOIL WRAP
  - CUTLERY KIT

EXHIBIT B

BLUTACO FRANCHISING, LLC

GOLD AND SILVER ADDENDA TO FRANCHISE AGREEMENT

SPECIAL TERMS AND CONDITIONS ADDENDUM
TO THE BLUTACO FRANCHISING, LLC FRANCHISE AGREEMENT

FOR BUSINESS-WITHIN-A-BUSINESS LOCATIONS

THIS ADDENDUM (the "Addendum") is made and entered into on _____, (the "Effective Date"), by and between BLUTACO FRANCHISING, LLC, a Delaware limited liability company ("we," "us," or "our"), and _____("you" or "your").

RECITALS

A. You and we are entering into a BluTaco™ franchise agreement (the "Franchise Agreement") together with this Addendum.

B. You and we mutually desire to add certain provisions to, and to modify, the Franchise Agreement as set forth in this Addendum.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and commitments set forth in this Addendum, you and we hereby agree as follows:

1. **Definitions**.

1.1 Accounting Period. "Accounting Period" shall mean the four (4) week accounting period we prescribe.

1.2 Branded Products. "Branded Products" shall mean the BluTaco branded products that: (i) we specify; (ii) you purchase from us or our affiliates, and (iii) that apply to the BluTaco operation. We will list the Branded Products in the Operations Manual or otherwise in writing. We will have the right to add to, delete from, and modify the items that are included within the scope of "Branded Products" from time to time.

1.3 BWB Location. "BWB Location" shall mean a BluTaco restaurant that is located in a grocery store, convenience store, or similar business-within-a-business location that you or an affiliate of yours operate.

1.4 Independent Location. "Independent Location" shall mean a BluTaco restaurant that is located: (i) in a freestanding building, or in a strip mall or similar shopping center; or (ii) in a business a third party operates, like a shopping center food court or an airport.

1.5 Program Quarter. "Program Quarter" shall mean three (3) or four (4) consecutive Accounting Periods as we may prescribe.

1.6 Program Year. "Program Year" shall mean: (i) thirteen (13) consecutive Accounting Periods; and (ii) four (4) consecutive Program Quarters.

1.7 GIR. "GIR" shall mean "growth incentive rebate." Our affiliate, PFSbrands, has developed, or may develop a program under which they may pay you a rebate based on your net purchases of Branded Products. We refer to this program as the "GIR Program.

1.8 Capitalized terms used but not otherwise defined in this Addendum shall have the same meanings as are ascribed to them in the Franchise Agreement.

2. **Territory**. Section 4.c ("Territory") of the Franchise Agreement, which section provides that:

> Your territory (your "Territory") will consist of the shell of the Store. Inside your Territory, we will not operate, and we will not authorize others to operate, restaurants using the System. Outside your Territory, we may operate, and we may authorize others to operate, restaurants using the System at any location, even if they compete with you.

shall be modified to provide as follows:

Your territory (your "Territory") will consist of a one (1) mile radius around your Restaurant. Inside your Territory: (i) we will not operate, and we will not authorize others to operate, restaurants in BWB Locations using the System; and (ii) we may operate, and we may authorize others to operate, restaurants in Independent Locations using the System, even if they compete with you. Outside your Territory, we may operate, and we may authorize others to operate, restaurants using the System at any location, even if they compete with you. Notwithstanding anything set forth in Section 4.c to the contrary, if there is another BluTaco restaurant in a BWB Location in your Territory as of the Effective Date of this Agreement: (a) such other restaurant may continue to operate; and (b) such operation shall not be a breach of this Section 4.c.

3. **Other Requirements**.

3.1 Term.

3.1.1 Five (5) Year Term. Section 2 ("Term") of the Franchise Agreement, which section provides that:

This Agreement will commence on the Effective Date and will continue in effect until either party terminates this Agreement as set forth in this Agreement.

shall be modified to provide as follows:

This Agreement will commence on the Effective Date and will continue in effect for five (5) years thereafter (the "Initial Term"). This Agreement will automatically renew for an unlimited number of consecutive five (5) year terms (each such additional term being referred to in this Agreement as a "Renewal Term," and the Initial Term, together with all Renewal Terms, being referred to collectively as the "Term") unless you or we notify the other in writing, at least thirty (30) days before the expiration of the Initial Term or the then-current Renewal Term, of such party's intent not to renew at the end of such Initial Term or then-current Renewal Term.

3.1.2 Damages for Termination. If we terminate the Franchise Agreement due to your breach prior to the expiration of the Initial Term or the then-current Renewal Term, or if you terminate the Franchise Agreement prior to the expiration of the Initial Term or the then-current Renewal Term, you will reimburse us the amount of: all rebates we paid you under the GIR Program paid to you by us our affiliates PFSbrands during the Initial Term or the then-current Renewal Term. You must pay us all amounts owed under this Section 3.1.2 so that we actually receive the payment by the end of ten (10) days after we request such payment.

3.2 Signage. You will purchase or lease from us, our affiliates, or suppliers we designate, the interior and exterior signage we specify. You will display and maintain such signage as we direct. Such signage will include, without limitation: (i) illuminated exterior signage; and (ii) a digital menu board.

3.3 Breakfast Program. You will participate in our breakfast program by offering for sale the breakfast items we specify, in compliance with our Standards and Specifications.

3.4 Equipment. You will purchase or lease from us, our affiliates, or suppliers we designate, the equipment we specify. You will use and maintain such equipment as we direct.

3.5 Test Marketing. We may from time to time conduct market research and testing to determine consumer trends and the marketability of new products, equipment, services, supplies, and merchandise (collectively, the "Test Products"). We will work with you in good faith to determine the Test Products that would be a good product match with your Store. You will assist us with such market research and testing by participating in any such programs as we may require, at your sole cost and expense. Such assistance may include, without limitation: (i) test-marketing Test Products through the Restaurant as we may direct; (ii) providing us with timely reports and other relevant information we may request regarding such test-marketing; and (iii) effectively promoting and making reasonable efforts to sell such Test Products. If we or our affiliates offer ingredients used in the Test Products, we will offer them to you at a discount off the list price.

4. **Retail Technologies**.

4.1 WIFI Network Controller. You will install, maintain, and use our WIFI network controller that we designate. This device will create a network structure within your Store that will connect all of the herein described technologies to the internet. You will allow our affiliate to access the device to update, maintain, and troubleshoot the connected devices. You will also install, maintain and use the PFSnet router device that we designate. All internet usage of networks connected to the PFSnet router device shall be solely related to the operation of the Restaurant(s) and in compliance with our Standards and

Specifications. In the event you use any network connected to the PFSnet router device for purposes other than operation of the Restaurant(s), or your use is not in compliance with our Standards and Specifications, you will be solely responsible for the costs associated with the data usage related thereto, and shall be requited to pay to us an amount equal to any amounts we must pay for data usage on your behalf. You will allow us and our affiliate to access, update, and maintain the system remotely.

4.2 Digital Menu Boards. You will install, maintain and use the digital menu system that we designate. You will use the system as we direct. You will allow us access to update the system remotely with access via the WIFI network controller listed in 4.1.

4.3 Communications Tablet. You will utilize and maintain our Communications Tablet that we designate. This tablet will give the Store access to materials such as training videos, standard operating procedures library, upcoming events and promotions, promotional materials, and direct communications with corporate office. This device will be connected via the WIFI Network Controller listed in section 4.1.

4.4 Sales Reporting. Section 12.a ("Reports, Documents, and Data") of the Franchise Agreement shall be modified by adding the following language to such section, as Section 12:

12.a.iii Sales Reporting. You will provide us with daily sales reports and similar periodic reports, using the form or method we specify.

4.5 Order Management System. You will install, maintain, and use the Order Management System that we designate. This system includes a Point of Sale ("POS") system as well as a People Counter device. You will use your Order Management System as we direct. Our directions will require you, without limitation, to use your Order Management System: (i) to accurately record your sales transactions; (ii) to print bar code labels and other labels; (iii) to prepare daily sales reports and similar periodic reports; (iv) to provide us with other reports, documents, and data that we may specify; and (v) to perform other functions that we may specify.

4.6 Other. All other technologies we develop in the future that we deem appropriate and essential to developing the BluTaco local, regional, and/or national brand identity.

5. **Brand Promise; Money Back Guarantee**

5.1 If you are not satisfied with the Program, we will provide you with a 100% money back guarantee for the equipment listed in 5.2 that you purchase from us to run the Program.

5.2 Eligible equipment for money back guarantee is as follows: Kiosk, Warming Drawer, Sandwich Prep, Tortilla Press, Rethermalizer, POS, Digital Menu Boards. We will refund you the amount paid for equipment and sales taxes minus freight charges for these items.

5.3 You have 90 days from the date you open your Restaurant to notify us that you would like to execute this Brand Promise; Money Back Guarantee. You must notify us in writing via certified mail.

5.4 You must comply with our then current de-identification requirements prior to us arranging for pickup of your equipment.

5.5 You must unhook, disassemble, and/or dismantle all equipment and have it located in one convenient area for pickup.

5.6 Prior to us arranging the return of your equipment, you must pay us the freight charges required to return the equipment to one of our locations. We will provide you with the stated 100% money back guarantee within 21 days after the date we pick up the equipment. We reserve the right, in our sole discretion, to discount the money back guarantee if any of the equipment is not operational, missing components, or is deemed to be in a condition not consistent with equipment that is 90 days old.

6. **Miscellaneous**.

6.1 Merger; Entire Agreement. This Addendum, together with the Franchise Agreement, is a complete integration that sets forth the entire agreement between you and us, fully superseding any and all prior negotiations, agreements, representations, and understandings between you and us, whether oral or written, related to the subject matter of the Franchise Agreement and this Addendum. In the event of any conflict between any provision of this Addendum and a provision of the Franchise Agreement, the provision set forth in this Addendum shall control. A breach by you of this Addendum shall be deemed to be a breach of the Franchise Agreement. Notwithstanding the forgoing, nothing in this Addenda or any franchise agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.

6.2 Dispute Resolution. In the event of any dispute arising out of or related to this Addendum, including without limitation any dispute arising out of or related to the making of this Addendum, such dispute shall be resolved exclusively as set forth in Section 17.c ("Dispute Resolution") of the Franchise Agreement. The provisions of this Section 6.2 shall remain in full force and effect after the expiration or termination of the Franchise Agreement.

6.3 Submission of Addendum. Submission of this Addendum to you does not constitute an offer to enter into a contract. This Addendum shall become effective only on its execution by you and us, and shall not be binding on us unless and until it is signed by our authorized officer and delivered to you.

The parties to this Addendum, intending to be legally bound hereby, have duly executed and delivered this Addendum as of the Effective Date.

US:
BLUTACO FRANCHISING, LLC

By: _____
Shawn Burcham
Title: Founder & Chief Executive Officer

YOU:
_____
PRINT FULL LEGAL NAME OF COMPANY

By: _____

_____
PRINT FULL NAME OF PERSON SIGNING THIS AGREEMENT

Title: _____

SPECIAL TERMS AND CONDITIONS ADDENDUM
TO THE BLUTACO FRANCHISING, LLC FRANCHISE AGREEMENT

FOR BUSINESS-WITHIN-A-BUSINESS LOCATIONS

THIS ADDENDUM (the "Addendum") is made and entered into on _____, the ("Effective Date"), by and between BLUTACO FRANCHISING, LLC, a Delaware limited liability company ("we," "us," or "our"), and _____ ("you" or "your").

RECITALS

A. You and we are entering into a BluTaco franchise agreement (the "Franchise Agreement") together with this Addendum.

B. You and we mutually desire to add certain provisions to, and to modify, the Franchise Agreement as set forth in this Addendum.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and commitments set forth in this Addendum, you and we hereby agree as follows:

1. **Definitions.**

1.1 Accounting Period. "Accounting Period" shall mean the four (4) week accounting period we prescribe.

1.2 Branded Products. "Branded Products" shall mean the BluTaco branded products that: (i) we specify; (ii) you purchase from us or our affiliates, and (iii) that apply to the BluTaco operation. We will list the Branded Products in the Operations Manual or otherwise in writing. We will have the right to add to, delete from, and modify the items that are included within the scope of "Branded Products" from time to time.

1.3 BWB Location. "BWB Location" shall mean a BluTaco restaurant that is located in a grocery store, convenience store, or similar business-within-a-business location that you or an affiliate of yours operate.

1.4 Independent Location. "Independent Location" shall mean a BluTaco restaurant that is located: (i) in a freestanding building, or in a strip mall or similar shopping center; or (ii) in a business a third party operates, like a shopping center food court or an airport.

1.5 Program Quarter. "Program Quarter" shall mean three (3) or four (4) consecutive Accounting Periods as we may prescribe.

1.6 Program Year. "Program Year" shall mean: (i) thirteen (13) consecutive Accounting Periods; and (ii) four (4) consecutive Program Quarters.

1.7 GIR. "GIR" shall mean "growth incentive rebate." Our affiliate, PFSbrands, has developed, or may develop a program under which they may pay you a rebate based on your net purchases of Branded Products. We refer to this program as the "GIR Program." Capitalized terms used but not otherwise defined in this Addendum shall have the same meanings as are ascribed to them in the Franchise Agreement.

1.8 Capitalized terms used but not otherwise defined in this Addendum shall have the same meanings as are ascribed to them in the Franchise Agreement.

2. **Other Requirements.**

2.1 Term.

2.1.1 Three (3) Year Term. Section 2 ("Term") of the Franchise Agreement, which section provides that:

This Agreement will commence on the Effective Date and will continue in effect until either party terminates this Agreement as set forth in this Agreement.

shall be modified to provide as follows:

> This Agreement will commence on the Effective Date and will continue in effect for three (3) years thereafter the "Initial Term"). This Agreement will automatically renew for an unlimited number of consecutive three (3) year terms each such additional term being referred to in this Agreement as a "Renewal Term," and the Initial Term, together with all Renewal Terms, being referred to collectively as the ("Term") unless you or we notify the other in writing, at least thirty (30) days before the expiration of the Initial Term or the then-current Renewal Term, of such party's intent not to renew at the end of such Initial Term or then-current Renewal Term.

2.1.2 Damages for Termination. If we terminate the Franchise Agreement due to your breach prior to the expiration of the Initial Term or the then-current Renewal Term, or if you terminate the Franchise Agreement prior to the expiration of the Initial Term or the then-current Renewal Term, you will reimburse us the amount of: all rebates we paid you under the GIR Program paid to you by us our affiliates PFSbrands during the Initial Term or the then-current Renewal Term. You must pay us all amounts owed under this Section 2.1.2 so that we actually receive the payment by the end of ten (10) days after we request such payment.

2.2 Signage. You will purchase or lease from us, our affiliates, or suppliers we designate, the interior and exterior signage we specify. You will display and maintain such signage as we direct. Such signage will include, without limitation: (i) illuminated exterior signage; and (ii) a digital menu board.

2.3 Breakfast Program. You will, if we direct you to do so, participate in our breakfast program by offering for sale the breakfast items we specify, in compliance with our Standards and Specifications.

3. **Retail Technologies.**

3.1 WIFI Network Controller. You will install, maintain, and use our WIFI network controller that we designate. This device will create a network structure within your Store that will connect all of the herein described technologies to the internet. You will allow our affiliate to access the device to update, maintain, and troubleshoot the connected devices. You will also install, maintain and use the PFSnet router device that we designate. All internet usage of networks connected to the PFSnet router device shall be solely related to the operation of the Restaurant(s) and in compliance with our Standards and Specifications. In the event you use any network connected to the PFSnet router device for purposes other than operation of the Restaurant(s), or your use is not in compliance with our Standards and Specifications, you will be solely responsible for the costs associated with the data usage related thereto, and shall be required to pay to us an amount equal to any amounts we must pay for data usage on your behalf. You will allow us and our affiliate to access, update, and maintain the system remotely.

3.2 You will allow our affiliate to access the device to update, maintain, and troubleshoot the connected devices.

3.3 Digital Menu Boards. You will install, maintain and use the digital menu system that we designate. You will use the system as we direct. You will allow us access to update the system remotely with access via the WIFI network controller listed in 3.1.

3.4 Communications Tablet. You will utilize and maintain our Communications Tablet that we designate. This tablet will give the Store access to materials such as training videos, standard operating procedures library, upcoming events and promotions, promotional materials, and direct communications with corporate office. This device will be connected via the WIFI Network Controller listed in Section 3.1.

4. **Miscellaneous.**

4.1 Merger; Entire Agreement. This Addendum, together with the Franchise Agreement, is a complete integration that sets forth the entire agreement between you and us, fully superseding any and all prior negotiations, agreements, representations, and understandings between you and us, whether oral or written, related to the subject matter of the Franchise Agreement and this Addendum. In the event of any conflict between any provision of this Addendum and a provision of the Franchise Agreement, the provision set forth in this Addendum shall control. A breach by you of this Addendum shall be deemed to be a breach of the Franchise Agreement. Notwithstanding the forgoing, nothing in this Addenda or any franchise agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.

4.2 Dispute Resolution. In the event of any dispute arising out of or related to this Addendum, including without limitation any dispute arising out of or related to the making of this Addendum, such dispute shall be resolved exclusively as set forth in Section 16.c "Dispute Resolution") of the Franchise Agreement. The provisions of this Section 4.2 shall remain in full force and effect after the expiration or termination of the Franchise Agreement.

4.3 Submission of Addendum. Submission of this Addendum to you does not constitute an offer to enter into a contract. This Addendum shall become effective only on its execution by you and us, and shall not be binding on us unless and until it is signed by our authorized officer and delivered to you.

The parties to this Addendum, intending to be legally bound hereby, have duly executed and delivered this Addendum as of the Effective Date.

US:

BLUTACO FRANCHISING, LLC

By: _____

Shawn Burcham

Title: Founder & Chief Executive Officer

YOU:

_____

PRINT FULL LEGAL NAME OF COMPANY

By: _____

_____

PRINT FULL NAME OF PERSON SIGNING THIS AGREEMENT

Title: _____

EXHIBIT C

BLUTACO FRANCHISING, LLC

STATE REGULATIONS AND REQUIREMENTS ADDENDUM

STATE REGULATIONS AND REQUIREMENTS ADDENDUM

The following are additional disclosures for our Multistate Franchise Disclosure Document. Various state franchise laws require us to make these additional disclosures. These additional disclosures will not apply to you unless you meet the jurisdictional requirements of the applicable state franchise registration and disclosure law independently without reference to these additional disclosures. These disclosures supplement our Disclosure Document and supersede any conflicting information contained in the body of the Disclosure Document:

CALIFORNIA

The Department of Business Oversight requires that the franchisor defer the collection of all initial fees from California franchisees until the franchisor has completed all of its pre-opening obligations and franchisee is open for business.

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

Neither we nor any person 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 such persons from membership in such association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

We encourage you to consult with private legal counsel to determine the applicability of California and federal laws such as California Business and Professions Code Section 20040.5 and Code of Civil Procedure Section 1281) to any provisions of the Franchise Agreement that restrict venue to a forum outside the State of California.

The Franchise Agreement requires application of the laws of Delaware. This provision may not be enforceable under California law.

You must sign a general release if you renew or transfer 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).

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

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS at www.corp.ca.gov.

ILLINOIS

Franchise Disclosure Document

FRANCHISOR RESERVES THE RIGHT TO REQUIRE YOU TO RENOVATE YOUR FRANCHISED RESTAURANT EVERY 5 YEARS. THE DOLLAR AMOUNT FOR ANY REQUIRED RENOVATION HAS NO LIMIT.

The cover page, Item 5 and Item 7 of the disclosure document are amended to reflect that based on the franchisor's financial condition, the Illinois Attorney General's Office, has required that the collection of all initial fees be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.

The conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Franchise Agreement is inconsistent with Illinois law, Illinois law will control.

Illinois law governs the Franchise Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of Illinois is void.

Any release of claims or acknowledgments of fact contained in the Franchise Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Illinois Franchise Disclosure Act, or a rule or order under the Illinois Franchise Disclosure Act will be void and are deleted with respect to claims under the Illinois Franchise Disclosure Act.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

US:	**YOU:**
BLUTACO FRANCHISING, LLC	_____ PRINT FULL LEGAL NAME OF COMPANY
By:_____	By:_____

Name: Shawn Burcham

Name: _____
PRINT FULL NAME OF PERSON SIGNING THIS AGREEMENT

Title: Founder and Chief Executive Officer

Title: _____

Franchise Agreement

Section 3 of the Franchise Agreement is amended to reflect that based on the franchisor's financial condition, the Illinois Attorney General's Office, has required that the collection of all initial fees be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.
Illinois law governs the franchise agreement.

In conformance with Section 4 of the of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformation with Section 41 of the Illinois Franchise Disclosure Act, and condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

FRANCHISOR RESERVES THE RIGHT TO REQUIRE YOU TO RENOVATE YOUR FRANCHISED RESTAURANT EVERY 5 YEARS. THE DOLLAR AMOUNT FOR ANY REQUIRED RENOVATION HAS NO LIMIT.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

US:

BLUTACO FRANCHISING, LLC

By: _____

Name: Shawn Burcham

Title: Founder and Chief Executive Officer

YOU:

_____
PRINT FULL LEGAL NAME OF COMPANY

By: _____

Name: _____
PRINT FULL NAME OF PERSON SIGNING THIS AGREEMENT

Title: _____

INDIANA

Item 13 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-14), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-17) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-15) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise, Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

The prohibition by Indiana Code 23-2-2.7-17) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such

law.

The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 9).

The following provision will be added to the Franchise Agreement:

> No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

MARYLAND

FDD

The FDD is amended by the addition of the following language:

Based upon the franchisor's financial condition, the Maryland Securities Commission has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completed it pre-opening obligations under the Franchise Agreement.

Item 17 of the FDD is hereby amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Item 17 of the FDD is hereby amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

I have received this Addendum as an Exhibit to the Franchise Disclosure Document with an effective date in Maryland of _____.

_____ _____

DATE PROSPECTIVE FRANCHISEE

_____

PRINTED NAME

Franchise Agreement

The Franchise Agreement is amended by the addition of the following language:

Based upon the franchisor's financial condition, the Maryland Securities Commission has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completed it pre-opening obligations under the Franchise Agreement.

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

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.).

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

I have received this Addendum as an Exhibit to the Franchise Disclosure Document with an effective date in Maryland of _____.

_____ _____

DATE PROSPECTIVE FRANCHISEE

_____

PRINTED NAME

ADDENDUM REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT H OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive

or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for a franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**," and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

The undersigned does hereby acknowledge receipt of this addendum. Dated this day _____.

_____ _____

FRANCHISOR FRANCHISEE

NORTH DAKOTA

Based on our financial condition, the North Dakota Securities Department has required that payment of the initial franchise fee be deferred until you have completed your initial training and open your first Restaurant for business.

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

2. Sites of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

7. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

11. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA

Addendum to FDD

The State cover page, Item 5 and Item 7 of the FDD will be amended with the addition of the following language:

> The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its preopening obligations under the franchise agreement.

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 do 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 or her 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 or her under the franchise, that provision may not be enforceable.

Addendum to Schedule C of the Franchise Agreement

> The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its preopening obligations under the franchise agreement.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Washington Addendum to the Franchise Disclosure Document, Franchise Agreement and related agreements

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** 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.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** 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 provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** 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.

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and(b) is open for business.

Section 18a of the Franchise Agreement does not apply to Washington Franchisees.

Section 6.1 of the Gold Level Addendum does not apply to Washington Franchisees.

Section 4.1 of the Silver Level Addendum does not apply to Washington Franchisees.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____20_____.

_____	_____
FRANCHISOR	FRANCHISEE

EXHIBIT D

BLUTACO FRANCHISING, LLC

STATE ADMINISTRATORS
AND
AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

State	State Agency	Agent for Service of Process
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce

State	State Agency	Agent for Service of Process
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222 Phone	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard State Capitol, 14th Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

Our agent for service of process in the State of Missouri is as follows:
Shawn Burcham
120 Commerce Drive
Holts Summit, Missouri 65043

EXHIBIT E

BLUTACO FRANCHISING, LLC

FINANCIAL STATEMENTS

Financial Statements
December 31, 2025 and 2024

BluTaco Franchising, LLC

Independent Auditor's Report 1

Financial Statements

Balance Sheets 3
Statements of Operations 4
Statements of Member's Equity 5
Statements of Cash Flows 6
Notes to Financial Statements 7

Independent Auditor's Report

To the Member
BluTaco Franchising, LLC
Holts Summit, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BluTaco Franchising, LLC, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of operations, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BluTaco Franchising, LLC as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BluTaco Franchising, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BluTaco Franchising, LLC's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 BluTaco Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BluTaco Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Eide Bailly LLP

Fargo, North Dakota
January 27, 2026

BluTaco Franchising, LLC
Balance Sheets
December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash	$ 7,292	$ 11,602
Accounts receivable	1,155	1,345
Total current assets	$ 8,447	$ 12,947
Liabilities and Member's Equity		
Current Liabilities		
Due to related party	$ 2,115	$ 1,792
Member's Equity	6,332	11,155
	$ 8,447	$ 12,947

BluTaco Franchising, LLC
Statements of Operations
Years Ended December 31, 2025 and 2024

	2025	2024
Revenues		
License fee	$ 4,894	$ 6,109
Operating Expenses		
Professional fees	27,750	29,070
Taxes and licenses	1,967	2,971
Total operating expenses	29,717	32,041
Net Loss	$ (24,823)	$ (25,932)

See Notes to Financial Statements

BluTaco Franchising, LLC
Statements of Member's Equity
Years Ended December 31, 2025 and 2024

	Member's Equity
Balance, December 31, 2023	$ 7,087
Net loss	(25,932)
Member contributions	30,000
Balance, December 31, 2024	11,155
Net loss	(24,823)
Member contributions	20,000
Balance, December 31, 2025	$ 6,332

See Notes to Financial Statements

BluTaco Franchising, LLC
Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Operating Activities		
Net loss	$ (24,823)	$ (25,932)
Changes in assets and liabilities		
Accounts receivable	190	374
Due to member	323	(1,816)
Net Cash used for Operating Activities	(24,310)	(27,374)
Financing Activities		
Member contributions	20,000	30,000
Net Change in Cash	(4,310)	2,626
Cash, Beginning of Year	11,602	8,976
Cash, End of Year	$ 7,292	$ 11,602

Note 1 - Principal Business Activity and Significant Accounting Policies

Principal Business Activity

BluTaco Franchising, LLC (the Company) was formed on October 26, 2017, for the purpose of owning, operating and selling BluTaco franchises and will continue perpetually until dissolution. The Company sells "BWB" franchises. "BWB" or "business within a business" is a franchise for the operation of BluTaco restaurants inside an existing business, such as a convenience store or grocery store. The Company does not charge the franchisees an initial startup fee for this type of franchise. The Company derives a license fee from the affiliate Pro Food Systems, Inc. for the sale of product to the franchisees. The Company had 29 existing franchisees as of December 31, 2025 and 2024. The Company awarded 4 new franchisees in 2025 and 0 new franchisees in 2024. The Company closed 4 and 5 franchises in 2025 and 2024, respectively.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which may occasionally exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. The Company held no balances in excess of insured limits as of December 31, 2025 and 2024.

Receivables and Credit Policy

The Company states its accounts receivable balance at the amount management expects to be collectible, and the balance in 2025 and 2024 consists entirely of quarterly license fees due from Pro Food Systems, Inc., an affiliate (see Note 3, Related Party Transactions). The Company expects this balance to be fully collectible. As such, no allowance for credit loss is required. If any accounts do become uncollectible, they will be charged to operations as appropriate.

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to the member in accordance with their respective percentage ownership. Therefore, no provision for income taxes has been included in the financial statements.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2025 and 2024, the unrecognized tax benefits accrual was zero. The Company will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

Revenue Recognition

License fee revenue is considered sales-based royalty that is recognized over time as the franchisee receives the benefits from the products sold by Pro Food Systems, Inc. to the franchisee. Generally, the license fee revenue is billed and collected quarterly in arrears. The Company collected 0.50% of net sales of Pro Food Systems, Inc. to the franchisees for license fees for the years ended December 31, 2025 and 2024.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated subsequent events through January 27, 2026, the date which the financial statements were available to be issued.

Note 2 - Revenue

The following table disaggregates the Company's revenue based on the timing of satisfaction of performance obligations for the years ended December 31, 2025 and 2024:

	2025	2024
Revenue recognized over time	$ 4,894	$ 6,109
Total revenue from contracts with customers	$ 4,894	$ 6,109

Revenue from performance obligations satisfied over time consists of license fees from Pro Food Systems, Inc.

The beginning and ending balances for accounts receivable were as follows for the years ended December 31, 2025 and 2024:

	2025	
	January 1	December 31
Accounts receivable	$ 1,345	$ 1,155

	2024	
	January 1	December 31
Accounts receivable	$ 1,719	$ 1,345

Note 3 - Related Party Transactions

Pro Foods Systems, Inc. is the parent company of BluTaco Franchising, LLC. The related party transactions between The Company and its parent company can be summarized as follows:

	2025	2024
Reimbursements to parent company for credit card transactions	$ 19,902	$ 29,540
Amount due to parent company for credit card transactions	2,115	1,792
License fee revenue received from the parent company	4,894	6,109
License fee receivable from the parent company	1,155	1,345

Note 4 - Concentrations

Customer Concentration

Pro Food Systems, Inc. accounted for 100% of revenues for the years ended December 31, 2025 and 2024. See also Note 3 for Related Party Transactions.

Note 5 - Commitments and Contingencies

The Company's employee retention credit fillings remain open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending through 2027. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government.

Financial Statements
December 31, 2024 and 2023

BluTaco Franchising, LLC

Independent Auditor's Report 1

Financial Statements

Balance Sheets 3
Statements of Operations 4
Statements of Member's Equity 5
Statements of Cash Flows 6
Notes to Financial Statements 7

EideBailly

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Member
BluTaco Franchising, LLC
Holts Summit, Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BluTaco Franchising, LLC, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BluTaco Franchising, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BluTaco Franchising, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BluTaco Franchising, LLC's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 BluTaco Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BluTaco Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Eide Bailly LLP

Fargo, North Dakota
January 27, 2025

BluTaco Franchising, LLC
Balance Sheets
December 31, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash	$ 11,602	$ 8,976
Accounts receivable	1,345	1,719
Total current assets	$ 12,947	$ 10,695
Liabilities and Member's Equity		
Current Liabilities		
Due to member	$ 1,792	$ 3,608
Member's Equity	11,155	7,087
	$ 12,947	$ 10,695

BluTaco Franchising, LLC
Statements of Operations
Years Ended December 31, 2024 and 2023

	2024	2023
Revenues		
License fee	$ 6,109	$ 7,277
Operating Expenses		
Professional fees	29,070	28,729
Taxes and licenses	2,971	3,743
Credit card and bank fees	-	3,577
Total operating expenses	32,041	36,049
Net Loss from Continued Operations	(25,932)	(28,772)
Net Loss from Transferred Operations to a Franchisor-affiliated entity	-	(168,313)
Net Loss	$ (25,932)	$ (197,085)

BluTaco Franchising, LLC
Statements of Member's Equity
Years Ended December 31, 2024 and 2023

	Member's Equity
Balance, December 31, 2022	$ 147,436
Net loss	(197,085)
Capital contribution	130,000
Distribution	(73,264)
Balance, December 31, 2023	7,087
Net loss	(25,932)
Capital contribution	30,000
Balance, December 31, 2024	$ 11,155

BluTaco Franchising, LLC
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Operating Activities		
Net loss	$ (25,932)	$ (197,085)
Adjustments to reconcile net loss to net cash used for operating activities		
Depreciation	-	4,121
Changes in assets and liabilities		
Accounts receivable	374	101,969
Inventories	-	(699)
Accounts payable	-	(3,866)
Accrued liabilities	-	(1,374)
Customer deposits	-	417
Due to member	(1,816)	(20,514)
Net Cash used for Operating Activities	(27,374)	(117,031)
Financing Activities		
Distribution	-	(21,390)
Capital contributions	30,000	130,000
Net Cash from Financing Activities	30,000	108,610
Net Change in Cash	2,626	(8,421)
Cash, Beginning of Year	8,976	17,397
Cash, End of Year	$ 11,602	$ 8,976
Non-cash Distribution of Restaurant Activities (See Note 1 and 8)		
Accounts receivable	$ -	$ 2,289
Inventories	-	9,635
Property and equipment	-	83,425
Operating lease right-of-use asset	-	85,586
Due to member	-	(17,569)
Gift cards payable	-	(11,559)
Operating lease liability	-	(85,586)
Accrued liabilities	-	(14,347)
Total non-cash distribution to related party	$ -	$ 51,874

Note 1 - Principal Business Activity and Significant Accounting Policies

Principal Business Activity

BluTaco Franchising, LLC (the Company) was formed on October 26, 2017, for the purpose of owning, operating and selling BluTaco franchises and will continue perpetually until dissolution. The Company sells two types of franchises, "BWB" and "Freestanding". "BWB" or "business within a business" is a franchise for the operation of BluTaco restaurants inside an existing business, such as a convenience store or grocery store. "Freestanding" franchises are standalone restaurants. The Company owned and operated a standalone restaurant until August 1, 2023, when its activities were distributed to Pro Foods Systems, Inc, a related party. The Company does not charge the franchisees an initial startup fee for this type of franchise. The Company derives a license fee from the affiliate Pro Food Systems, Inc. for the sale of product to the franchisees. The Company had 29 and 34 existing franchisees as of December 31, 2024 and 2023, respectively. The company awarded 0 new franchisees in 2024 and 5 new franchisees in 2023. The company closed 5 franchises in 2024 and 2023.

Concentrations of Credit Risk

The Company maintains its cash in bank deposit accounts which may occasionally exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. The company held no balances in excess of insured limits as of December 31, 2024 and 2023.

Receivables and Credit Policy

The Company states its accounts receivable balance at the amount management expects to be collectible, and the balance in 2024 and 2023 consists entirely of quarterly license fees due from Pro Food Systems, Inc., an affiliate (see Note 4, Related Party Transactions). The Company expects this balance to be fully collectible. As such, no allowance for credit loss is required. If any accounts do become uncollectible, they will be charged to operations as appropriate.

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to the member in accordance with their respective percentage ownership. Therefore, no provision for income taxes has been included in the financial statements.

The Company evaluates its tax positions that have been taken or are expected to be taken on income tax returns to determine if an accrual is necessary for uncertain tax positions. As of December 31, 2024 and 2023, the unrecognized tax benefits accrual was zero. The Company will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax expense if incurred.

Revenue Recognition

Revenues from the sale of products are recognized at the point of sale. Vendor rebates and credits that relate to the Company's buying and merchandising activities are recorded as a component of cost of sales as earned according to the underlying agreement. Revenues and income from services rendered are recognized immediately after such services have been provided. Customer returns are immaterial. Vendor coupons that are reimbursed are accounted for as sales. Coupons and other sales incentives offered by the Company that are not reimbursed are recorded as a reduction of sales. Discounts of $0 and $1,096 were netted in product revenue for the years ended December 31, 2024 and 2023, respectively.

License fee revenue is considered sales-based royalty that is recognized over time as the franchisee receives the benefits from the products sold by Pro Food Systems, Inc. to the franchisee. Generally, the license fee revenue is billed and collected quarterly in arrears. The Company collected 0.50% of net sales of Pro Food Systems, Inc. to the franchisees for license fees for the years ended December 31, 2024 and 2023.

Contract Costs

Incremental costs of obtaining a contract are expensed as incurred as the amortization period of the asset that otherwise would have been recognized is estimated to be one year or less.

Sales Taxes

Various states impose a sales tax on the Company's sales to non-exempt customers. The Company collects the sales tax from customers and remits the entire amount to each respective state. The Company's accounting policy is to exclude the tax collected and remitted to the states from revenues and cost of sales.

Advertising Costs

Advertising costs are expensed as incurred. Such costs were $0 and $56, respectively, for the years ended December 31, 2024 and 2023.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated subsequent events through January 27, 2025, the date which the financial statements were available to be issued.

Note 2 - Revenue

The following table disaggregates the Company's revenue based on the timing of satisfaction of performance obligations for the years ended December 31, 2024 and 2023:

	2024	2023
Revenue recognized at a point in time from discontinued operations	$ -	$ 181,400
Revenue recognized over time from continuing operations	6,109	7,277
Total revenue from contracts with customers	$ 6,109	$ 188,677

Revenue from performance obligations satisfied at a point in time consist of sales of food and beverage at the restaurant in Holts Summit, Missouri. These goods are sold to customers primarily located in the Midwest region. Revenue from performance obligations satisfied over time consist of license fees from Pro Food Systems, Inc.

Gift card payables are contract liabilities for revenues received prior to revenue being recognized. The beginning and ending balances for accounts receivable and gift cards payable were as follows for the years ended December 31, 2024 and 2023:

	2024	
	January 1	December 31
Accounts receivable from discontinuing operations	$ -	$ -
Accounts receivable from continuing operations	1,719	1,345
Gift cards payable from discontinuing operations	-	-

	2023	
	January 1	December 31
Accounts receivable from discontinuing operations	$ 104,292	$ -
Accounts receivable from continuing operations	1,685	1,719
Gift cards payable from discontinuing operations	11,142	-

Note 3 - Related Party Leases from Transferred Operations to a Franchisor-affiliated Entity

The Company leases certain buildings and restaurant equipment for various terms under long-term, non-cancelable operating agreements with a related party through common ownership. The leases expire at various dates through 2029 and provides for renewal options in the terms of two, 5-year renewable terms. The Company included in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. Also, the agreements generally require the Company to pay real estate taxes, insurance, and repairs. These leases are no longer effective to the Company as of December 31, 2023, due to the distribution of restaurant operations disclosed in Note 1.

The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then the Company estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using the Company's applicable borrowing rates and the contractual lease term.

The Company has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

Total lease costs for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Operating lease cost	$ -	45,000

The following table summarizes the supplemental cash flow information for the years ended December 31, 2024 and 2023:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ -	45,000

There are no future minimum lease payments under noncancellable operating and financing leases with terms greater than one year as of December 31, 2024.

Note 4 - Related Party Transactions

The parent company, Pro Foods System, Inc., sells its product to the Company for sale in its restaurant, and also provides bookkeeping and payroll services and rebates on purchases to the Company. Due to member as of December 31, 2024 and 2023 was $1,792 and $3,608, respectively. Total purchases of product totaled $0 and $81,634, for the years ended December 31, 2024 and 2023, respectively. Services provided by the parent company totaled $29,540 and $77,640 for the years ended December 31, 2024 and 2023, respectively.

In addition, the Company receives rebates on purchases and license fees from the parent company. Total rebates on purchases was $0 and $11,422 for the years ended December 31, 2024 and 2023, respectively. License fee received totaled $6,109 and $7,277 for the years ended December 31, 2024 and 2023, respectively. License fee receivable totaled $1,345 and $1,719 for the years ended December 31, 2024 and 2023, respectively.

Also see Note 3 for related party lease transactions.

Note 5 - Employee Benefit Plans

Defined Contribution Plan

The Company has a defined contribution plan covering substantially all employees. The plan provides that employees who have attained the age 21 are eligible to participant in the plan. Employer contributions are 50% of the employees first 6% of base compensation contribution. Total expense related to the plan for the years ended December 31, 2024 and 2023, was $0 and $676, respectively.

Note 6 - Concentrations

Customer Concentration

Pro Food Systems, Inc. accounted for 100% of revenues for the year ended December 31, 2024. See also Note 4 for Related Party Transactions. There were no customer concentrations for the year ended December 31, 2023.

Vendor Concentration

The Company did not purchase any products or inventory for the year ended December 31, 2024. One of the Company's vendors accounted for approximately 77% of product purchases for the year ended December 31, 2023.

Note 7 - Commitments and Contingencies

The Company's employee retention credit fillings remain open for potential examination by the Internal Revenue Service through the statute of limitations, which has varying expiration dates extending through 2027. Any disallowed claims resulting from such examinations could be subject to repayment to the federal government.

Note 8 - Transferred Operations to a Franchisor-affiliated Entity

On August 1, 2023, the Company distributed the standalone restaurant to Pro Foods Systems, Inc, a related party.

Results from transferred operations to a Franchisor-affiliated entity of December 31, 2024 and 2023 are as follows:

	2024	2023
Revenues		
Product revenue	$ -	$ 181,400
Cost of Revenue	-	89,390
Gross Profit	-	92,010
Operating Expenses		
Payroll, taxes, and employee benefits	-	158,533
Equipment rent	-	35,000
Utilities	-	17,850
Marketing	-	12,491
Rent	-	10,500
Credit card and bank fees	-	4,799
Repairs and maintenance	-	6,584
Supplies	-	6,399
Depreciation	-	4,121
Insurance	-	3,653
Customer relations	-	540
Dues and subscriptions	-	345
Employee relations	-	257
Travel	-	195
Advertising	-	56
Total operating expenses	-	261,323
Other Income	-	1,000
Net Loss	$ -	$ (168,313)

The cash flows of transferred operations to a Franchisor-affiliated entity at December 31, 2024 and 2023 includes the following:

	2024	2023
Net Cash used for transferred operations to a Franchisor-affiliated entity	$ -	$ (91,833)
Net Cash from transferred operations to a Franchisor-affiliated entity	$ -	$ 108,610

EXHIBIT F

BLUTACO FRANCHISING, LLC

LIST OF FRANCHISEES AND OUTLETS

EXHIBIT F
LIST OF FRANCHISEES AND OUTLETS

Store Name	Address	City	State	Zip	Full Name	Business Phone
Open Door Country Store	2028 Old Ware Rd	Wetumpka	AL	36093	Bret Devine	(334) 567-0111
White Oak Station #13	101 E Main St.	Green Forest	AR	72638	Christy Howard	(870) 577-3432
Farmer's Marketplace	4525 Shasta Dam Blvd	City of Shasta Lake	CA	96019	Allen Mancasola	(530) 275-3756
Clear Creek Crossing	3772 Durham-Pentz Rd	Oroville	CA	95965	Lally Vishal	(530) 343-4230
Royal Seven 10	2790 E McIntosh	Griffin	GA	30224	Tushar Patel	(678) 938-5173
Dubois Travel Stop	424 W Main St	Dubois	ID	83423	Deep Singh	(360) 567-9077
Basin Travel Stop II	1095 N Main St	Driggs	ID	83422	Wayne Hartshorn	(208) 354-3110
Sac and Fox Trading Post	3226 Hwy 73	Hiawatha	KS	66434	Theresa Armbruster	(402) 245-1236
Le Store	1321 N 8th Street	Neodesha	KS	66757	Jared Harper	(620) 325-2862
LVP Food Service Concepts, LLC	1021 Poplar Street	Wellsville	KS	66092	Jeanette DavisS	(702) 522-8513
Main Street Express	205 E Main St	Perham	MN	56573	Mike Nelson	(218) 346-2210
Federated Co-op Cenex (St. Cloud)	1030 33rd St S	Saint Cloud	MN	56301	Troy Logan	(320) 240-7990
Hickamo	18718 HWY 54	Wheatland	MO	65779	Chip Shaddox	(417) 770-0526
Ferndale Market	1845 MT-209	Bigfork	MT	59911	Brian Truckey	(406) 837-5597
Fic's Plaza	1220 N Main St	Deer Lodge	MT	59722	Todd Fickler	(406) 846-3969
Mountain View Co-op (Helena)	720 W Custer Ave	Helena	MT	59602	Dave Douglas	(406) 750-6748
West Gate Cenex	55 Highway 16	Glendive	MT	59330	Greg Cross	(406) 377-7180
Pinnacle Travel Plaza – Tioga	6714 Hwy 40 S	Tioga	ND	58852	Amanda Middletone	(701) 628-2322
Pinnacle Travel Plaza – Stanley C – Store	8149 Highway 2	Stanley	ND	58757	Amanda Middleton	(701) 628-2322
Royal Mart #107	652 HWY 20 N	HINES	OR	97738	Raad Tadros	(541) 573-7070
Garrison Food Mart (Quanah)	703 W 11th Street	Quanah	TX	79252	Greg Hendricks	(806) 256-3552
Glazier's Inc (Glazier's Market)	264 South 100 East	Kanab	UT	84741	Jay Mickelson	(435) 644-5029
ExtraMile	2110 South 1300 East	Salt Lake City	UT	84106	Karissa Peterson	801-553-0912

Store Name	Address	City	State	Zip	Full Name	Business Phone
JLP Development, LLC	9515 Old Pacific HWY N	Castlerock	WA	98611	Christopher Wetzel	(360) 282-6312
Baldwin Travel Plaza	975 Energy St	Baldwin	WI	54002	Moe Shah	(816) 294-5633
Big D #5	1560 Snowy Range Road	Laramie	WY	82970	Clyde Mead	(307) 286-4032

LIST OF FRANCHISE AGREEMENTS SIGNED, NOT YET OPEN AS OF DECEMBER 31, 2025

Name	Adress	City	State	Zip	Business Phone
Fill'er Up LLC	51 Tucker Drive	Caseyville	IL	62232	(618) 344-1638

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM AS OF DECEMBER 31, 2025

Store Name	Contact Name	Address	City	State	Zip	Business Phone
Liberty Stop & Go	Amber Halverson	6902 W Seltice Way S	State Line	ID	83854	(208) 773-1177
Bert's	tan Keim	1021 Poplar Street	Wellsville	KS	66092	(785) 285-2147
Lakeville Amoco	Rick Bohnen	8333 210th St. W	Lakeville	MN	55044	NULL
Fastlane #35	Kalen Frese	571 S Lincoln Dr	Troy	MO	63379	(636) 235-7007
Young's Family Market	Brad Young	15986 State Route 56	Laurelville	OH	43135	(740) 332-8822
TA Huntington	Deep Singh5	945 US-30	Huntington	OR	97907	(360) 567-9077
CUBBY'S	DeLone Wilson	2101 W 49th Street	Sioux Falls	OR	57105	(402) 453-2468

***TRANSFERRED TO NEW FRANCHISEE**

EXHIBIT G

BLUTACO FRANCHISING, LLC

CONFIDENTIAL OPERATIONS MANUAL TABLE OF CONTENTS

TABLE OF CONTENTS

MANUAL PURPOSE 4
BLUTACO & HOTMEX EXPRESS: KEY DIFFERENCES 5

FOOD SAFETY
THE FLOW OF FOOD 7
SAFE FOOD HANDLING 13
SANITATION
CLEANING AND SANITIZING 20
PROPER HANDWASHING 23
PREPARATION PROCEDURES
HEATING CHART 25
HOLD TIME CHART 26
BREAKFAST HOLD TIME CHART 28
BOIL-IN-BAG PROCEDURES 29
COLD SIDES PROCEDURES 30
TORTILLAS PROCEDURES 31
RE-USE & LEFTOVER PROCEDURES 32
STASHER BAG REHEATING PROCEDURES 33
STORE OPENING PROCEDURES 34
STORE CLOSING PROCEDURES 35
SERVICE
PORTIONING 37
BREAKFAST PREPARATION INSTRUCTIONS 38
HOW TO BUILD BREAKFAST BURRITO & TACO MIX 40
BREAKFAST TACO BUILD 41
BREAKFAST BURRITO BUILD 42
BREAKFAST SANDWICH BUILD 44
BISCUITS & GRAVY BUILD 45
TACO BUILD 46
BURRITO BUILD 47
BURRITO WRAPPING 48
BOWL BUILD 49

QUESADILLA BUILD 50
SALAD BUILD 51
NACHO BUILD 52
HOW TO MAKE BLUE CORN TORTILLA CHIPS 53
HOW TO MAKE CINNAMON CRISPS 53
SALSA & WARM SAUCE CUP BUILD 53
CUSTOMER SERVICE SUGGESTIONS 54

PRODUCT INFORMATION
PAR LEVEL CHART 57
PRODUCT SHELF LIFE 59
PORTIONS PER CASE 60
SOUR CREAM SPECIFICATION 61
LETTUCE SPECIFICATION 62
REPORTING QUALITY ISSUES 63
EQUIPMENT
KIOSK PREPARATION 65
RETHERMALIZER PROCEDURES 66
STEAMER/COMBI OVEN PROCEDURES 68
TORTILLA WARMER PROCEDURES 68
VECTOR OVEN CLEANING 69
LOGS
DAILY SHIFT CHECKLIST 71
DAILY WASTE LOG 72
WATER CHANGE LOG 73
TIME-TEMP LOG 74
APPENDIX 75
ENGLISH MUFFIN PROCEDURES 76

EXHIBIT H

BLUTACO FRANCHISING, LLC

FORM OF RELEASE, ESTOPPEL, COVENANT NOT TO SUE, AND INDEMNIFICATION

RELEASE, ESTOPPEL, COVENANT NOT TO SUE, AND INDEMNIFICATION

PRELIMINARY NOTE

This Exhibit H contains our form of release, estoppel, covenant not to sue, and indemnification provisions. These provisions may be printed in bold print, and will be modified as reasonably necessary and included in the applicable agreement.

FORM OF AGREEMENT

1. Release; Estoppel; Covenant Not to Sue; Indemnification.

1.1 Release. Franchisee, for itself and its affiliates, and for its and such affiliates' directors, officers, shareholders, partners, members, employees, agents, and attorneys, together with Principals, [Transferor, and Transferee,] and further together with and for the predecessors, successors, heirs, and assigns of any and all of the foregoing collectively, the "Releasing Parties"), hereby release, remise, acquit, and forever discharge BluTaco and its officers, members, employees, agents, and attorneys, and BluTaco's affiliates and each and all of such affiliates' directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the predecessors, successors, heirs, and assigns of any and all of them collectively, the "Parties Released"), from and against any and all obligations, debts, claims, demands, rights, actions, causes of action, loss, losses, damage, damages, expenses, costs, liability, and liabilities of any nature or kind, contingent or fixed, known or unknown, at law or in equity or otherwise, that arise out of or are related to, or that may hereafter arise out of or relate to, for any matter prior to the Effective Date of this Agreement: i) the Franchise Agreement; ii) any and all other BluTaco license agreements and franchise agreements between BluTaco and any of the Releasing Parties; iii) any and all BluTaco Restaurants owned, opened, operated, or closed by Franchisee or any of the other Releasing Parties; iv) [such other matters as BluTaco deems appropriate]; and v) the business relationship between any or all of the Parties Released on the one hand, and any or all of the Releasing Parties on the other hand; including, without limitation, the BluTaco franchise offering, the BluTaco franchise offering documents, the offer and sale of the BluTaco franchise, and the registration, non-registration, exemption from registration, or non-exemption from registration of the BluTaco franchise and the BluTaco franchise offering.

1.1.1 [Franchisee and Principals] [Franchisee, Principals, Transferor, and Transferee], for themselves and the other Releasing Parties, hereby covenant, warrant, represent, and agree that neither they nor any of them have assigned or transferred any of the obligations, debts, claims, demands, rights, actions, causes of action, loss, losses, damage, damages, expenses, costs, liability, or liabilities described in this Section 1.1 of this Agreement to any third party.

1.1.2 If any Releasing Party raises or asserts any obligation, claim, demand, right, action, or cause of action described in this Section 1.1 of this Agreement, or alleges any debt, loss, losses, damage, damages, expense, cost, liability, or liabilities described in this Section 1.1 of this Agreement, this Section 1.1 shall be a complete and conclusive defense thereto.

1.2 Estoppel.

1.2.1 [Franchisee and Principals] [Franchisee, Principals, Transferor, and Transferee], for themselves and the other Releasing Parties, hereby acknowledge and agree that:

1.2.1.1 Neither the Parties Released nor any of them, at any time prior to the Effective Date of this Agreement, committed any breach of the Franchise Agreement or any other agreement or document related to the Franchised Business, which other documents include, without limitation, the Franchise Disclosure Document that BluTaco delivered to Franchisee, as prospective Franchisee, which delivery was due and proper in every respect;

1.2.1.2 Neither the Parties Released nor any of them, at any time prior to the Effective Date of this Agreement, committed any violation of any constitution, statute, rule, regulation, ordinance, case law, or any other law; including, without limitation, the FTC Franchise Rule, [jurisdictions' franchise Laws or other relevant Laws], or otherwise, arising out of or related to the Franchised Business, the Restaurant, the BluTaco franchise offering, the BluTaco franchise offering documents, the offer and sale of the BluTaco franchise, and the registration, non-registration, exemption from registration, or non-exemption from registration of the BluTaco franchise and the BluTaco franchise offering; and

1.2.1.3 Neither the Parties Released, nor any of them, owes the Releasing Parties, or any of them, any obligation, debt, claim, demand, right, action, cause of action, loss, losses, damage, damages, expense, cost, liability, or liabilities of any nature or kind, contingent or fixed, known or unknown, at law or in equity or otherwise, that arises out of or is related to, or that may hereafter arise out of or relate to, any matter that is within the scope of the Release set forth in Section 1.1 of this Agreement.

1.2.2 If any Releasing Party raises or asserts any obligation, claim, demand, right, action, or cause of action described in Section 1.1 or this Section 1.2 of this Agreement, or alleges any debt, loss, losses, damage, damages, expense, cost, liability, or liabilities described in Section 1.1 or this Section 1.2 of this Agreement, this Section 1.2 shall be a complete and conclusive defense thereto.

1.3 Covenant Not to Sue. [Franchisee and Principals] [Franchisee, Principals, Transferor, and Transferee], for themselves and the other Releasing Parties, hereby covenant, warrant, represent, and agree that neither they nor any of them will: i) make or raise any claim, counterclaim, crossclaim, affirmative defense, or demand; ii) commence, or cause or permit to be commenced; iii) prosecute, or cause or permit to be prosecuted; or iv) assist or cooperate in the commencement or prosecution of, any suit or action at law or in equity or otherwise, any arbitration or like proceeding, or any administrative or agency proceeding, against or related to the Parties Released, or any of them, for any matter arising out of or related to, or that may hereafter arise out of or relate to: a) the Release set forth in Section 1.1 of this Agreement; b) any matter that is within the ambit of such Release; c) the Estoppel set forth in Section 1.2 of this Agreement; or d) any matter that is within the ambit of such Estoppel.

1.4 Indemnification. [Franchisee and Principals] [Franchisee, Principals, Transferor, and Transferee], for themselves and the other Releasing Parties, hereby covenant, warrant,

represent, and agree that they and the other Releasing Parties: i) will indemnify the Parties Released for, and will hold harmless the Parties Released from, any breach of Sections 1.1, 1.2, or 1.3 of this Agreement; and ii) will pay the amount of all losses and expenses arising out of or related to any breach of Sections 1.1, 1.2, or 1.3 of this Agreement so that the Party Released to which such payment is owed actually receives such payment by end of ten 10) days after demand therefor. Such losses and expenses shall include, without limitation, attorneys' fees and costs, including without limitation attorneys' fees and costs of appeal, and further including without limitation attorneys' fees and costs of collection. Each Party Released shall have the right to counsel such Party Released reasonably chooses. No Party Released will be required to seek recovery from any insurer, other third party, or otherwise, or to mitigate any loss and expense, to maintain and recover fully a claim under this Section 1.4. No failure to pursue such recovery or to mitigate a loss or expense will in any way reduce or alter the amounts any Party Released is entitled to recover. The obligations of [Franchisee, Principals] [Franchisee, Principals, Transferor, Transferee], and the other Releasing Parties under this Section 1.4: a) shall be joint and several; and b) shall be within the ambit of all guaranties made by [Franchisee's Principals] [Franchisee's Principals, Transferor, Transferor's Principals, Transferee, Transferee's Principals], and other guarantors, all of which shall remain in full force and effect.

[WASHINGTON STATE FRANCHISEES: THIS RELEASE SHALL NOT APPLY TO CLAIMS ARISING UNDER THE FRANCHISE INVESTMENT PROTECTION ACT, CHAPTER 19.100 RCW, OR THE RULES ADOPTED THEREUNDER IN ACCORDANCE WITH RCW 10.100.220(2).]

BLUTACO FRANCHISING, LLC:

By: Exhibit Only: Not for Execution at This Time
Title:

FRANCHISEE:

By: Exhibit Only: Not for Execution at This Time
Title:

TRANSFEREE:

By: Exhibit Only: Not for Execution at This Time
Title:

PRINCIPAL:

Exhibit Only: Not for Execution at This Time
Individually and as Principal

PRINCIPAL:

Exhibit Only: Not for Execution at This Time
Individually and as Principal

PRINCIPAL:

Exhibit Only: Not for Execution at This Time
Individually and as Principal

EXHIBIT I

BLUTACO FRANCHISING, LLC

BLUTACO ACKNOWLEDGEMENT STATEMENT

NOT FOR USE IN CALIFORNIA

PLEASE DO NOT SIGN IF THE FRANCHISSE IS A MARYLAND RESIDENT OR IF THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN THE STATE OF MARYLAND

BLUTACO ACKNOWLEDGEMENT STATEMENT

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into a Franchise Agreement. Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

1. Franchisee has conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Franchised Business. Franchisee further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee by Franchisor and Franchisee and any and all Principals hereby waive any claim against Franchisor for any business failure Franchisee may experience as a franchisee under this Agreement.

2. Franchisee has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee and its efforts as an independent business operation.

3. Franchisee agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement and that it/she/he understands all the terms and conditions of the Franchise Agreement. Franchisee further acknowledges that the Franchise Agreement contains all oral and written agreements, representations and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

4. Franchisee has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated herein. Franchisee acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement. Franchisee represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining the Franchise Agreement.

5. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement.

6. Franchisee acknowledges that Franchisor's approval or acceptance of Franchisee's Business location does not constitute a warranty, recommendation or endorsement of the location for the Franchised Business, nor any assurance by Franchisor that the operation of the Franchised Business at the premises will be successful or profitable.

7. Franchisee acknowledges that it has received the BluTaco Franchising, LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed. Franchisee further acknowledges that Franchisee has read such Franchise Disclosure Document and understands its contents.

8. Franchisee acknowledges that it has had ample opportunity to consult with its own attorneys, accountants and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee with respect to the Franchise Agreement or the relationship thereby created.

9. Franchisee, together with Franchisee's advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement.

10. Franchisee is aware of the fact that other present or future franchisees of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that Franchisor does not warrant that such products will not be sold within the Franchisee's Territory by others who may have purchased such products from Franchisor.

12. BY EXECUTING THE FRANCHISE AGREEMENT, FRANCHISEE AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE BLUTACO FRANCHISING, LLC, PRO FOOD SYSTEMS, INC, AND ANY OF ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF.

[WASHINGTON STATE FRANCHISEES: THIS STATEMENT DOES NOT WAIVE ANY LIABILITY THE FRANCHISOR MAY HAVE UNDER THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT, RCW 19.100, AND THE RULES ADOPTED THEREUNDER. WASHINGTON FRANCHISEES SHOULD NOT SIGN THIS EXHIBIT]

SIGNATURE PAGE TO FOLLOW

FRANCHISEE:

_____

By:_____

_____,_____
(Print Name, Title)

Date:_____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

PRINCIPAL:

_____

_____
(Print Name)

Date: _____

State Effective Dates

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

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

State	Effective Date
California	January 27, 2026
Illinois	Exempt
Indiana	Exempt
Maryland	Pending
Michigan	Exempt
Minnesota	Exempt
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Exempt
Virginia	Exempt
Washington	Pending
Wisconsin	Exempt

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.

EXHIBIT J

BLUTACO FRANCHISING, LLC

DISCLOSURE DOCUMENT RECEIPTS

RECEIPT

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 BluTaco 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.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Receipt page referring to the fourteen (14) calendar-day requirement under the FTC Franchise Rule.

If BluTaco 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, DC 20580 and the state agency listed on Exhibit D.

The franchisor is BluTaco Franchising, LLC, located at 120 Commerce Drive, Holts Summit, Missouri 65043. Its telephone number is 573) 896-2500.

Issuance Date: March 31, 2026

The name, principal address and telephone number of each franchise seller offer the franchise: _____
_____.

BluTaco authorizes the respective state agencies identified on Exhibit D to receive service of process for it in the particular state.

I received a disclosure document dated March 31, 2026 that included the following Exhibits:

A	BluTaco Franchise Agreement
B	Gold and Silver Addenda to Franchise Agreement
C	State Regulations and Requirements Addendum
D	State Administrators and Agents for Service of Process
E	Financial Statements
F	Franchised Outlets
G	Confidential Operations Manual Table of Contents
H	Form of Release, Estoppel, Covenant Not to Sue, and Indemnification
I	BluTaco Acknowledgment Statement
J	Disclosure Document Receipts

Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

_____
(Signature of recipient)

Your Copy: Please Sign, Date, and Keep for your Records

RECEIPT

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 BluTaco 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.New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If BluTaco 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, DC 20580 and the state agency listed on Exhibit D.

The franchisor is BluTaco Franchising, LLC, located at 120 Commerce Drive, Holts Summit, Missouri 65043. Its telephone number is 573) 896-2500.

Issuance Date: March 31, 2026

The name, principal address and telephone number of each franchise seller offer the franchise: _____
_____.

BluTaco authorizes the respective state agencies identified on Exhibit D to receive service of process for it in the particular state.

I received a disclosure document dated March 31, 2026 that included the following Exhibits:

A	BluTaco Franchise Agreement
B	Gold and Silver Addenda to Franchise Agreement
C	State Regulations and Requirements Addendum
D	State Administrators and Agents for Service of Process
E	Financial Statements
F	Franchised Outlets
G	Confidential Operations Manual Table of Contents
H	Form of Release, Estoppel, Covenant Not to Sue, and Indemnification
I	BluTaco Acknowledgment Statement
J	Disclosure Document Receipts

Date Received: _____
(If other than date signed)

DATE:_____

Print Name:_____

Print Address: _____

City, State: _____

_____
(Signature of recipient)

Our Copy: Please Sign, Date, and Return to Us