



FRANCHISE DISCLOSURE DOCUMENT

Barberitos Franchising, Inc.
(A Georgia corporation)
1090 S. Milledge Avenue
Athens, Georgia 30605
Phone: (706) 316-3344
www.barberitos.com



The Franchise Owner will operate one or more Barberitos quick serve restaurant(s) featuring Southwestern cuisine specializing in burritos, quesadillas, nachos, tacos, salads, cold beverages, beer and other ancillary products.

The Initial Franchise Fee for the right to develop and operate a Barberitos restaurant is \$25,000. Area developers must pay a fee of \$12,500 for each Barberitos restaurant scheduled to be developed under the area development agreement and subsequently pay an additional \$12,500 upon execution of the franchise agreement for each such Barberitos restaurant.

The estimated initial investment ranges from \$114,800.00 to \$549,025.00.

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

The terms of your agreement(s) with Barberitos Franchising, Inc. will govern your franchise relationship. Don't rely on the disclosure document alone to understand your agreement(s). Read all of your agreement(s) carefully. Show your agreement(s) 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 ("FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 800 Pennsylvania Avenue, N.W., 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.

The date of this Franchise Disclosure Document is January __, 2014.

STATE COVER PAGE

Your state may have a franchise law that requires a franchise to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in EXHIBIT A for information about the franchisor, about other franchisors, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT PERMITS THE FRANCHISOR TO ENFORCE ITS RIGHTS IN THE APPROPRIATE COURTS LOCATED IN OCONEE COUNTY, GEORGIA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT ALSO MAY COST MORE TO SUE THE FRANCHISOR IN GEORGIA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$114,800 TO \$549,025. THIS INVESTMENT MAY EXCEED THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF SEPTEMBER 30, 2013, WHICH IS \$197,010.94.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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