

ITEM 1. THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

THE FRANCHISOR

The Franchisor is 360 Degree Franchise Corporation, a California corporation. In this offering the Franchisor will be referred to as "360 Gourmet Burritos," "we" or "us." "You" means the person or persons who buys a franchise.

Predecessors to the business that 360 Gourmet Burritos conducts are:

The Hot Shop, a sole proprietorship of Ahmad Wafi Amin, established in 1986
Oxus Enterprises International, a California corporation incorporated 1994

360 Degree Franchise Corporation

The company began in 1986 as a sole proprietorship owned by Ahmad Wafi Amin with its first location. In 1994, Mr. Amin incorporated his business into Oxus Enterprises International, a California corporation, and additional locations were opened. On June 28, 2001, 360 Degree Franchise Corporation was incorporated and established to sell 360 Gourmet Burritos franchises. Today, 360 Degree Franchise Corporation and Oxus Enterprises International are wholly owned by Ahmad Wafi Amin. Under a nonexclusive license to use the trademarks, Oxus Enterprises International operates eleven 360 Gourmet Burritos locations in the San Francisco Bay area as a general partner with members of Ahmad Wafi Amin's family. In addition, Palwasha Amin, Mr. Amin's spouse, owns and operates 360 Gourmet Express, which operates the 360 Gourmet Burritos restaurant at the Oakland and San Jose International Airports. We do business under the name "360 Gourmet Burritos."

Our Agents for service of process in California is Ahmad Wafi Amin, 1500 Newell Avenue, Suite 360, Walnut Creek, CA 94596; and for any other states, we have listed our agent on Exhibit B.

THE FRANCHISOR'S BUSINESS

Oxus Enterprises International, an affiliate corporation, owns and operates 360 Gourmet Burritos quick service restaurants, which are businesses of the type we are franchising. We grant franchises to qualified persons to own and operate restaurants. We do not have any other material business activities that are not material to the ownership, operation and franchising of restaurants.

We or our predecessors have owned and operated restaurants since 1986. Prior to 2001, neither we nor our predecessor companies have offered franchises to own and operate restaurants to any other parties. We have not offered franchises in any other line of business.

THE FRANCHISED BUSINESS

The business you will conduct, as a 360 Gourmet Burritos Franchisee, is the operation of a 360 Gourmet Burritos Restaurant (the "Franchised Restaurant"). You will sign a unit franchise agreement ("Franchise Agreement") with us. The Franchise Agreement is attached to this offering circular as Exhibit C. Certain provisions of the Franchise Agreement will also apply to your partners (if you are a partnership), to your shareholders (if you are a corporation) and to certain other parties involved in your business, such as guarantors and managers. You will be required to operate the Franchised Restaurant in accordance with the Franchise Agreement and our standards and specifications (the "Operating System").

The Franchised Restaurants offer a limited menu including wraps, sandwiches, salads, soft drinks and related items. The Franchised Restaurants are designed to feature quick service for both on-premise and take out consumption. The Franchised Restaurant must be built to our specifications as to interior and exterior design. Most Franchised Restaurants are anticipated to be conversions of properties from other uses and be consistent in appearance in regard to interior and exterior appearance. Seating will typically accommodate 10-60 persons indoors. In favorable climatic conditions, some Franchised Restaurants will provide outdoor seating.

Some Franchised Restaurants may be located in "non traditional" sites such as airports, highway service centers, business and industry and healthcare facilities. If a Franchised Restaurant is operated in such a non-traditional

location, we may modify certain provisions of the Franchise Agreement and make it apply specifically to that non-traditional location.

The quick service restaurant business is highly competitive. By operating a 360 Gourmet Burritos Restaurant, you will be competing with other local, regional and national restaurants offering similar wraps and sandwich products as well as with other quick service restaurants offering other products. You may also have to compete with other franchised or company-owned 360 Gourmet Burritos Restaurants, including operations in non-traditional locations. The market for 360 Gourmet Burritos products is well developed in some areas, but in other areas may be underdeveloped or not developed at all.

There are no governmental regulations that apply only to the quick service restaurant industry. However, you must comply with all local, state and federal laws that apply to your restaurant operations and to food service operations generally. Those laws include health, sanitation, no smoking, Equal Employment Opportunity Commission ("EEOC"), Occupational Safety and Health Administration ("OSHA"), Food and Drug Administration ("FDA"), related state agencies, employment and sexual harassment laws. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people and therefore may affect your building construction, site elements, entrance ramps, doors, seating, bathrooms, parking, drinking facilities, etc. You must also obtain real estate permits and licenses and operational licenses. You should consult with your attorney concerning these and other local laws and ordinances that may affect your restaurant operations.

ITEM 2. BUSINESS EXPERIENCE

Ahmad Wafi Amin, President, Chief Executive Officer, Director, shareholder

Ahmad Wafi Amin is the President and CEO of 360 Degree Franchise Corporation and of Oxus Enterprises International, the franchisor and operator, respectively, of 360 Gourmet Burritos Restaurants. Since 1994 he has been the president of Oxus Enterprises International and since 2001, he has been the president of 360 Degree Franchise Corporation. He has been in the restaurant business since 1977 and has operated Gourmet Burritos restaurants since 1986. He is the sole stockholder in 360 Degree Franchise Corporation and Oxus Enterprises International.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this offering circular.

No person previously identified in Items 1 or 2 of this offering circular has been 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 that association or exchange

ITEM 4. BANKRUPTCIES

No person previously identified in Items 1 or 2 of this offering circular has been involved as a debtor in proceedings under the U.S. bankruptcy Code required to be disclosed in this Item.

ITEM 5. INITIAL FRANCHISE FEE

The initial franchise fee for any 360 Gourmet Burritos restaurant is \$20,000. The initial franchise fee is payable upon completion of your orientation training for your first location. Upon payment of the initial franchise fee, it is non-refundable.

If you are an existing 360 Gourmet Burritos Franchisee who has operated a restaurant under a 360 Gourmet Burritos franchise agreement for which the initial term has expired, you may elect to renew as described in Item 17. You must reimburse 360 Gourmet Burritos for its costs of renewal of up to \$2,500.

The initial franchise fee is fully earned upon payment is non-refundable.

You will also be required to pay for any training materials and supplies provided by us and you will be required to reimburse us for our actual costs incurred in providing to you any additional pre-opening training. These costs may vary by circumstance (See Item 6 and Item 7).

ITEM 6. OTHER FEES

<i>Name of Fee</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
Royalty ^{1*}	5% of Gross Sales ²	Payable monthly on the 15th day of the next month without invoice or notice from 360	Gross Sales include all pretax proceeds you receive from your customers. Gross Sales do not include sales or use tax. All royalty fees are payable to us. All royalty fees are nonrefundable.
Advertising ^{3*}	3% of Gross Sales ²	As incurred	You must allocate an average of 2.0% of your quarterly Gross Sales ² to advertising in your territory. 1.0% is paid into an advertising fund to be administered by us.
Pre-opening advertising*	\$2,000	Upon execution of the Franchise Agreement.	Paid to 360 Gourmet Burritos for pre-opening and opening advertising arranged for and placed by us.
Costs of testing products and equipment ^{4*}	Our actual costs	As incurred	We may refuse to accept proposed products or equipment if they do not meet our standards. This would preclude Franchisee use of any such products or equipment.
License and Permit Fees ⁵	Varies	On demand by licensing agency	You must comply with any state, city or local laws or regulations requiring licenses or permits for the franchised business.
Additional Training ^{6*}	About \$200 per day plus travel and lodging expenses	Prior to training	Training for the initial manager, assistant manager and opening staff is described in Items 7 and 11.
Delinquency ^{7*}	1 1/2% per month or maximum amount permitted by state law if such amount is less than 1 1/2% per month.	On demand	You must pay a delinquency charge on all past due royalty fees you owe to us plus attorney's fees and costs that we incur to collect unpaid fees from you.
Assignment or transfer ^{8*}	Our expenses in connection with the transfer up to	Prior to consummation of the transfer	Payable when you sell your franchise.

<i>Name of Fee</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
	\$2,000		
Audit ^{9*}	Cost of Audit.	30 days after billing	Payable only if audit shows an understatement of gross sales
Attorney's Fees and Costs ^{10*}	360 Gourmet Burritos actual costs.	Upon termination of Franchise Agreement for your default to the extent and when incurred by us	
Insurance Premiums ¹¹	Premiums will vary. If we pay a premium to avoid lapse, you must pay us the cost plus a fee of \$1,500	Will vary	Paid to insurance company or agency
Liquidated Damages*	\$50 per day up to \$7,500 in the first ten years and up to \$10,000 after the tenth year	Upon failure to take required actions after termination or expiration of Franchise Agreement	

Footnotes:

* = Payable to us.

1. Royalty

In addition to the Initial Franchise Fee, each Franchise Agreement requires you to pay a monthly royalty from the date of the opening of the 360 Gourmet Burritos restaurant operated under such Franchise Agreement. The royalty is an amount equal to five percent (5%) of your gross receipts from the sales on all items per month. This amount is payable monthly by the fifteenth (15th) day of each month based on the preceding month's receipts. If you are more than five (5) days late in paying such royalty, interest at the rate of one and one-half percent (1 1/2%) per month or, if the maximum interest rate permitted by state law is less than one and one-half percent (1 1/2%) per month, interest at such maximum rate will be payable on the unpaid royalty from the date the payments were due. You are required to carry business interruption insurance against the loss of earnings from the interruption of business at the restaurant.

The Franchise Agreement requires you to submit a signed monthly royalty report, in a form to be prescribed by us. This report must reflect the gross amount of sales of all items sold on or from the respective premises during the preceding month, related expenses, and any additional information that we deem necessary. You must also submit reports of Gross Sales from each year's operations, and amounts expended on advertising, along with a balance sheet and income statement within ninety (90) days of the end of your fiscal year. These reports must be certified by an independent certified public accountant, except that the balance sheet and income statement may be accompanied by an accountant's review report in lieu of certification.

2. Gross Sales

The term "Gross Sales" shall include the entire gross receipts of every kind and nature from sales and service made in, upon, or from the 360 Gourmet Burritos Restaurant, whether upon credit or for cash, without reserve or deduction for inability or failure to collect. Gross Sales shall not include the amount of over-rings, refunds, allowances, or discounts to customers (including discounts attributable to coupon sales), nor employee meals or the amount of any sales tax levied upon retail sales and payable over to the appropriate governmental authority. If any audit or examination reveals any understatement of Gross Sales for any period of more than 3%, you must pay our fees, charges and expenses of the audit and examination.

3. Advertising

You are required to conduct adequate advertising and marketing efforts in your local market area and elsewhere and to use only advertising material approved by us. We will make available to you advertising material, at a price equal

to our cost plus shipping. You determine the method and manner in which such advertising dollars are spent. You may do your own local advertising or hire your own local advertising agency. In addition, you may participate, at your own expense, in drives, contests and other local, regional and national programs, related to sales promotions established by us and must honor any coupons or similar promotional material issued by us or other Franchisees. You are required to spend not less than three percent (3.0%) of each Unit's monthly Gross Sales on local and regional advertising.

We do not currently conduct regional or national advertising programs, however, we may do so in the future. At that time you may be required to spend additional monies to participate in regional or national advertising programs. You may also be required to participate in an Advertising Co-Op, if there are other franchised or company-owned 360 Gourmet Burritos Restaurants in the market in which you operate your 360 Gourmet Burritos Restaurant(s). The Franchise Agreement requires you to pay up to (1.00%) of the restaurant's monthly Gross Sales into an advertising production fund.

4. Costs of Testing Products and Equipment

If you want to use any products, equipment or other items that we have not approved, you may request that we approve the items. We may test the item, and you must pay any costs incurred by us in connection with the testing.

5. License and Permit Fees

Under the Franchise Agreement, you are solely responsible for compliance with any state, city or other local laws or regulations requiring licenses or permits for the franchised business. You are required to pay the applicable license or permit fees, which fees may vary from territory to territory.

6. Additional Training

Training for the initial general manager, the assistant managers and the opening staff is described in Item 11. Additional training may be purchased at a price agreed upon prior to the training commencing. We do not currently charge any tuition or registration fees for Franchisee training, but it may do so in the future. You must pay us (at our actual costs) for any training supplies or materials. You or your employees must pay any salaries, wages, benefits, meals and travel expenses incurred by you or your employees during the training process.

We will make available to you a 360 Gourmet Burritos representative to assist the opening activities of the restaurant for a period of ten (10) eight hour-days. If additional training assistance is requested by you or deemed necessary by 360 Gourmet Burritos, you must reimburse us (at our actual cost) for its reasonable expenses in providing the 360 Gourmet Burritos representative's salary and living and travel expenses. The expenses for which you must reimburse us would normally amount to approximately \$300 per day, (which includes salary, lodging and meals for one 360 Gourmet Burritos representative) plus travel expenses (airfare and rental car for additional travel period). Historically, additional training assistance is requested by the franchisee rather than mandated by us and the assistance lasts for seven to 10 days.

7. Delinquency Charges and Costs of Collection

You are required to pay a sum equal to the lesser of one and one-half percent (1 1/2%) per month, or the maximum rate permitted by applicable state law, on all accounts which are past due to us from you, as well as a sum equal to our attorney's fees and costs incurred in the collection of any amounts due from you to us.

8. Assignment

If you assign your interest in the Franchise Agreement in accordance with Section 13, you (or the transferee) will be required to pay to us our reasonable costs up to \$2,000 in effecting the transfer and in providing training and other initial assistance to the transferee.

9. Audits

Under the Franchise Agreement, you are required to deliver to us within ninety (90) days after the end of each fiscal year of the franchise, reports of Gross Sales and advertising expenditures from each year's operation, certified or reviewed by an independent certified public accountant, together with a balance sheet and income statement which may be accompanied by an accountant's review report in lieu of certification. We have the right to have its own audit performed, and if any such audit discloses that the reported Gross Sales have been understated to the extent of three percent (3%) or more, you shall reimburse us for any and all expenses connected with such audit. If you fraudulently or with gross negligence understate Gross Sales, you shall be in material default of the Franchise Agreement and we shall have all the rights described in Item 17 below.

10. Attorney's Fees and Costs

You have to reimburse us for all costs, including legal fees and court costs incurred in defending claims, suits, proceedings or judgments arising in connection with your operation of the Franchised Restaurant.

11. Insurance

If you fail to obtain or maintain required insurance coverage, we may procure the coverage and you must pay us costs, plus a reasonable administrative fee of up to \$1,500, incurred in placing insurance coverage for you.

ITEM 7. INITIAL INVESTMENT

The following table represents an estimate of the initial investment that you can expect to make in the first several months of Franchised Restaurant Ownership beginning with signing the Franchise Agreement through opening of the Franchised Restaurant:

Your Estimated Initial Investment	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	\$20,000 per restaurant to be developed. (See Note 1)	Lump Sum	Upon completion of initial training	360 Degree Franchise Corporation
Travel and Living Expenses while Training	\$12,500 (See Note 2)	As Incurred	During Manager and Assistant Manager Training	Airline, Hotels and Restaurants
Additional Training	\$1,400 – 20,000	As Incurred	Our cost approximately \$300 per hour	360 Degree Franchise Corporation, see Footnote 6 to Item 7.
Equipment	\$100,000 to \$150,000 (See Note 3)	As Incurred	Before operation	Various Suppliers
Other Pre-Opening Expenses	\$75,000 (See Note 4)	As Incurred	Prior to Opening	Various Vendors. \$2,000 to us for pre-opening advertising.
Inventory	\$11,000	As Incurred	Prior to Opening	Various Vendors
Insurance	\$10,000 (See Note 5)	As Incurred	Prior to and During Operation	Insurance Company or Agency

Your Estimated Initial Investment	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Licenses and Permits	\$0 – 10,000 (See Note 6)	As Incurred	Prior to and During Operation	Licensing or Permitting Agency
Lease & Utility Deposits	\$0 – 8,000 (See Note 7)	As Incurred	During Operation per Lease and Local utility	Landlord, Utility Company
Utilities (per month)	\$5,000	As Incurred	During Operation	Various Utility Companies
Working Capital (estimated for 3 mos.)	\$50,000 (may vary)	As Incurred	During Operation	Various
Real Estate and Building	\$24,000 – 900,000 (See Note 8)	As Incurred	During Lease Term or at Purchase	Landlord or Seller and/or Construction
TOTAL	\$303,900 - \$1,266,500 (See Note 9)			

NOTE 1: As discussed in Items 5 and 10, \$20,000 is the minimum franchise fee for a territory. The initial franchise fee is nonrefundable. See explanation set forth below.

NOTE 2: This estimate is for lodging and meals. Transportation costs and airfare will vary.

NOTE 3: Based upon our experience, the cost of the standard equipment package including furniture, fixtures, equipment and decor varies but will generally be between \$100,000 and \$150,000 per restaurant.

NOTE 4: In addition, approximately \$75,000 in "soft costs" will be required for miscellaneous expenses of opening a restaurant, including staffing, fees, training payroll prior to opening, licenses, pre-opening advertising, etc.

NOTE 5: You are required to carry insurance in accordance with the Franchise Agreement. It is estimated that approximately \$10,000 will be required per year for insurance premiums relating to each restaurant.

NOTE 6: Licensing laws and permit requirements and fees may vary from state to state and city to city. You are obligated to comply with these laws. You may be required to obtain a beer and wine license prior to opening, the cost of which will vary according to circumstances unique to the location of the restaurant. Estimate is between \$0 and \$4,000.

NOTE 7: Depending upon lease provisions and local regulations and requirements, deposits for leases and utilities vary. Lease deposits are normally a factor of the annual or monthly rental. Estimate is between \$0 and \$10,000.

NOTE 8: You must provide your own financing for the construction of each Franchised Restaurant, the acquisition and installation of fixtures and equipment, and/or the acquisition of any lease or monthly rental payments for land, building, leaseholds and equipment. The cost of these items will vary considerably depending on, among other things, the type of site and local conditions, the size of the property and the cost of obtaining financing. The cost of purchasing or leasing land varies but normally ranges from \$400,000 to \$700,000 per site for purchasing land and \$3,000 to \$8,000 per month for leasing land. The cost of constructing the standard image building can normally vary from \$300,000 to \$400,000 per building, depending upon local conditions. If you decide to lease the land and building on a build-to-suit basis, the base rent can vary considerably depending on many factors including the type of lease, location and the size of the leased premises. Normally, the rent on a build-to-suit lease in which the lessee pays all taxes, utility charges and insurance will vary from \$8,000 to \$14,000 per month. The site and all improvements must be constructed or modified to comply with plans and specifications approved by us. The estimate is based on hypothetical rent for three months of \$24,000.

NOTE 9: Exclusive of real estate and building, your estimated initial investment is \$280,000 to \$367,000. Costs of real estate and building are described in Note 8 above. The low range in the total number was calculated by adding the lowest estimated real estate and building costs, \$8,000 for one month's rent, to the lowest estimated initial investment exclusive of real estate and building. The high range in the total number was calculated by adding the highest estimated real estate and building cost, \$900,000 for purchasing land and constructing a new building, to the highest estimated initial investment exclusive of real estate and building.

We do not offer direct or indirect financing. We do not guarantee lease or note obligations.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In purchasing equipment, supplies, fixtures, inventory, real estate or any other item, you are required to meet our specifications and deal with suppliers approved by us.

In order to protect, maintain and foster the reputation, goodwill, and public acceptance of our trade names, trademarks, service marks and products, we reserve the right to determine, approve and supervise the quality of service and preparation of the products sold by the franchised business and to inspect the premises, the equipment and products to maintain the quality and standards of such products on the premises. You are required to purchase all fixtures, equipment, inventory and other supplies, products, ingredients and materials used in the operation of the restaurant from suppliers approved and not subsequently disapproved by us. A current list of such approved suppliers shall be maintained by us at our corporate headquarters and shall be made available to you upon request. The cost of equipment, supplies, fixtures, inventory, land and building and other items purchased in accordance with specifications represents between 90% and 95% of your total purchases in connection with establishment of your restaurant.

If you desire to purchase any of such items from a supplier that has not previously been approved by us, either you or the supplier must submit a written request for such approval to us. As a condition of our approval, we may require that our representative inspect the supplier's facilities and that samples from the supplier be delivered to us or our designee for testing. Based on the information and samples supplied, we will test the items supplied and review the proposed supplier's financial records, business reputation, delivery performance, credit rating and other information. You or the supplier may be charged a fee not to exceed the cost of such inspection or testing. Our review is typically completed in thirty (30) days.

You may install at the Franchised Restaurant only such decor that is specified and approved by us and conforms to the appearance standards and specifications prescribed by us. We may make available for purchase such artifacts, signs, pictures, posters, memorabilia and similar items from our inventory, or from approved third parties, at a cost equal to the cost to us plus shipping and handling costs.

Neither we nor any person affiliated with us are among those suppliers currently recommended by us. Your obligations described in this Item 8 arise by reason of provisions of the Franchise Agreement, and not by reason of any other device or practice. Neither we nor our affiliates will derive any revenue from required purchases or leases. However, we will operate a commissary or food supply business that will stock primarily sauces and spices and other food products that receive bulk or volume discounts. As long as your purchases meet the standards of the Franchise Agreement, you are not required to buy from the commissary. We will derive revenue from your purchases, if any, from the commissary.

Through research, testing and field input and experience, we may modify or update our restaurant site selection guidelines and restaurant construction plans and specifications. We will communicate those modifications to you and other Franchisees in writing in order to allow you to comply with them as necessary. Through research, testing and field input and experience, we may modify our standards and specifications and approved items, brands or suppliers of equipment, furnishings, food products, paper and plastic goods and supplies. We will communicate those modifications to you by revisions to the Confidential Operations Manual, or through bulletins or other written communications or on-line electronic communications. We will not communicate to you our specifications (or modifications) that we consider proprietary trade secrets.

If you want to purchase any item or service that is not listed as an approved brand or item or otherwise has not been approved for use in a Franchised Restaurant, you may request that we evaluate and approve the item. In some instances, we may require that you submit a sample of the item to us or an independent laboratory designated by us. We will charge you for the cost of the testing. The time required for testing and evaluation depends upon a number of factors, including the nature of the item and whether we or an independent laboratory will perform the testing. If we approve an item for use in a Franchised Restaurant, we may then periodically re-test the item. We may revoke our prior approval if the item fails to continue to meet our standards and specifications or if the item fails to achieve certain performance levels (for example, in the case of food products, sales levels). We will notify you in writing of our revocation of our approval and you may not then use the item for which approval has been revoked.

Between 90% and 95% of your total purchases associated with constructing and establishing your Franchised Restaurant and between 90% and 95% of your total purchases associated with the ongoing operation of your Franchised Restaurant must be either purchased from approved suppliers or must conform to our standards.

In addition to the required purchases described above, you must maintain, at your expense, the insurance that we require as described in the Franchise Agreement. You must obtain the insurance from insurance companies licensed to do business in the state in which your Franchised Restaurant is located and having a Best's insurance rating of at least "A-1." The insurance required under the Franchise Agreement includes worker's compensation (in such amounts required by applicable law), comprehensive general liability (minimum policy limits of \$5,000,000 aggregate, \$2,000,000 per occurrence and property damage coverage of \$2,000,000 per occurrence), and building/equipment and extended coverage at replacement cost. You will also be required to purchase business interruption insurance which covers 60% of your Gross Sales for the most recently ended calendar year.

Franchisee restaurants may be required to form and join advertising cooperatives in instances where multiple restaurants with diverse ownership operate in close proximity to each other. In this case, each franchised or company-owned restaurant will be entitled to one vote in determining marketing and advertising practices.

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 OFFERING CIRCULAR.

Obligation	Section in Agreement	Item in Offering Circular
a. Site selection and acquisition/lease	Section 1, 2 and 3 of Franchise Agreement	Items 7, 11 & 12
b. Pre-opening purchases/ leases	Section 3, 4 and 6 of Franchise Agreement	Items 7, 8 & 10
c. Site development and other pre-opening requirements	Section 3, 4, 5, 6 and 7 of Franchise Agreement	Items 1, 7 & 11
d. Initial and ongoing training	Section 5 of Franchise Agreement	Items 7 & 11
e. Opening	Section 5 and 11 of Franchise Agreement	Items 7 & 11
f. Fees	Section 6 and 13 of Franchise Agreement	Items 5, 6 & 7
g. Compliance with standards and policies/Operating Manual	Section 1, 3, 4, 5 and 8 of Franchise Agreement	Items 1, 8, 11, 15 and 16
h. Trademarks and proprietary information	Section 10 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Sections 3, 4 and 12 of Franchise Agreement	Items 8 and 16
j. Warranty and customer service requirements	Section 9 of the Franchise Agreement	N/A
k. Territorial development and sales quotas	Franchise Agreement – None.	Item 12
l. Ongoing product/service	Section 4 and 5 of Franchise Agreement	Items 8, 11, 16

Obligation	Section in Agreement	Item in Offering Circular
purchases		
m. Maintenance, appearance and remodeling Requirements	Section 2, 3 and 4 of Franchise Agreement	Item 7
n. Insurance	Section 9 of Franchise Agreement	Items 6 & 7
o. Advertising	Section 6 and 7 of Franchise Agreement	Item 6
p. Indemnification	Section 9 of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	Section 5 of Franchise Agreement	Item 15
r. Records and reports	Section 8 and 12 of Franchise Agreement	Item 11
s. Inspections and audits	Section 8 of Franchise Agreement	Item 6
t. Transfer	Section 13 of Franchise Agreement	Item 17
u. Renewal	Section 2 of Franchise Agreement	Item 17
v. Post-termination covenants	Section 12 of Franchise Agreement	Items 14, 16 & 17
w. Noncompetition covenants	Section 12 and Exhibit A of Franchise Agreement	Items 16 & 17
x. Dispute resolution	N/A	Item 17
y. Release of all Claims	Sections 2, 11 and 13.02(d)(2) of Franchise Agreement	Item 17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee your lease or note obligations.

ITEM 11. FRANCHISOR'S OBLIGATIONS

Except as listed below, we need not provide any assistance to you.

A. Prior to Opening (Obligations Imposed by Franchise Agreement):

Prior to the opening of each Franchised Restaurant, we are obligated, under the terms of the Franchise Agreement, to provide the following services to you:

- Make available to you such standard construction plans and specifications for the structures, equipment, furnishing and signs identified with 360 Gourmet Burritos Restaurants, as we make available to new Franchisees. You may have to modify, revise or otherwise alter such plans and specifications to ensure compliance with applicable local building codes and regulations. The cost of any such modification, revision or alteration shall be borne solely by you. (Section 1.04)
- Review of your site plans and final construction plans and specifications for conformity to the construction standards and specifications of the Operating System, upon our receipt of your written request for acceptance. (Section 3.01(b))
- Make available to you initial and ongoing training in the Operating System, including instruction with respect to our standards, methods, procedures and techniques, for each person identified in Section 5 of the Franchise Agreement subject to the other terms of Section 5 of the Franchise Agreement. The

extent of such training is at our discretion based on your or your manager's experience. Section (5.03(b))

- Make available to you such assistance, as we deem necessary and appropriate in connection with the opening of the restaurant by you, including assistance by our personnel, and planning and developing of pre-opening and promotional programs. Sections 1.04(a)(4) and 5.02(f))
- Make available to you the use of our Operating System and Confidential Operations Manual and any other manuals and training aids as periodically revised. (Section 1.04(a)(6))
- Under Section 5 of the Franchise Agreement, we are obligated to provide training to the staff of the Franchised Restaurant for a period of three (3) days prior to opening and one week after opening, or longer if we deem it necessary. However, if after you receive an occupancy certificate or permit from the appropriate governmental agency and if you do not give us at least thirty (30) days prior written notice of your intent to open the Franchised Restaurant, we may delay the opening in order to schedule training. We do not furnish any other supervision, assistance or services to you prior to the opening of your first 360 Gourmet Burritos restaurant and are not bound to do so by the Franchise Agreement or any related agreement.

B. During Operation:

Following the opening of a 360 Gourmet Burritos Restaurant, we are obligated to provide the following services and assistance to you during the term of the Franchise Agreement as set forth in the Franchise Agreement:

- Make available to you the use of 360 Gourmet Burritos Confidential Operations Manual and any other manuals and training aids, as periodically revised. (Section 1.04(a)(6)). We shall use our best efforts to make available to you any training films or videotapes made by us for a fee equal to our cost of producing and distributing such films or tapes. (Section 5.03).
- Make available to you such periodic continuing individual or group advice, consultation and assistance, rendered by personal visit or telephone, or by newsletters, brochures, reports or bulletins, e-mail as are made available to all our Franchisees and as we may deem necessary appropriate. (Section 5.04(b))
- Make available to you such other resources and assistance, including assistance in developing marketing and advertising programs, as may be developed and offered by us to our Franchisees. (Sections 1.04(c) and 7.01(b)).

We do not furnish other supervision, assistance or services during the operation of the restaurant by you and are not bound to do so by the Franchise Agreement or any related agreement.

C. Method of Location Selection:

Under the terms of the Franchise Agreement, your Location is selected when you execute the Franchise Agreement. It is your obligation to select proposed sites for restaurants within your Territory. Your selection should take into consideration a list of criteria furnished by us which criteria may include population density, ease of ingress or egress, market saturation, visibility and zoning. You then submit those sites to us for acceptance. We accept or reject the site based on its evaluation of this information and our own on-site inspection and evaluation.

D. Typical Length of Time Between Signing Agreement and Opening of First Restaurant:

You must select and propose a Location prior to the signing of the Franchise Agreement.

We estimate that this process will, in the typical case, take three to nine months. We estimate that the typical time necessary for opening restaurants after negotiations for the site have been finalized will normally vary from four to seven months. The factors that affect this time are the ability to obtain a lease, financing or building permits, zoning

and local ordinances, weather conditions, shortages, delayed installation of equipment, fixtures and signs, and delayed training of personnel.

E. Training Program:

We provide a training program for the benefit of you, your restaurant employees, accounting personnel, and the restaurant general manager and assistant managers. The franchisee, the restaurant general manager and assistant managers are required to attend up to six (6) weeks of training prior to the opening of the restaurant, to consist of training at one or more 360 Gourmet Burritos Restaurants and/or classroom training at our headquarters. The training programs will be custom tailored on a case-by-case basis by us based on your general manager's and assistant managers' experience. We will also provide training in our accounting systems for a member of your accounting staff, at our headquarters. You are responsible for all costs associated with the travel, meals, lodging and compensation of your employees during training. The initial training of restaurant employees is described in this Item 11 under the subscription "Prior to Opening" above.

We are unable, at present, to predict the location, duration and content of any additional training and/or refresher courses.

F. Marketing:

We do not currently conduct regional or national advertising programs, however, we may do so in the future. At that time, you may be required to spend additional monies to participate in regional or national advertising programs. You may also be required to participate in an Advertising Cooperative, if there are other franchised or company-owned 360 Gourmet Burritos Restaurants in the market in which you operate your 360 Gourmet Burritos Restaurant(s). The Franchise Agreement requires you to pay up to (1.00%) of the restaurant's monthly Gross Sales into an advertising cooperative fund. Any payments into the advertising cooperative fund will be payable to us and are non-refundable. You are required to spend 3.00% of Gross Sales on local advertising, however, amounts (up to 1.0% of Gross Sales) paid to the advertising Cooperative will be credited against the 3.00% requirement.

Our initial orientation training includes the following:

Subject	Time Begun	Classroom Hours ¹	On-the-job Hours ²	Instructional Materials	Instructor(s)/ Experience ²
Orientation	Week 1	8		Review 360 Gourmet Burritos manuals and menu and restaurant layout.	Ahmad, Wafi Amin
Restaurant Operations Training; Mechanics of various worker positions, preparing products and serving customers	Week 1		96	Review restaurant manuals and routines.	Ahmad, Wafi Amin
Shift Labor Management MIS/POS Systems Local Store Marketing Leadership Training Employee Motivation Office Set-up and administration	Week 3	16		Review restaurant manuals and routines.	Ahmad, Wafi Amin
Restaurant Operations Training Mechanics of Shift Supervision	Week 2		48	Review restaurant manuals and routines.	Ahmad, Wafi Amin
Labor cost control procedures Food cost control procedures	Week 4	8		Review restaurant manuals and routines.	Ahmad, Wafi Amin
Certification Test	Week 4	8			Ahmad, Wafi Amin
Total		40	144		Ahmad, Wafi Amin

You will be required to purchase an electronic point of sale cash register system to process sales and to transmit information to us. We do not have a proprietary system or software, but will provide you with the specifications and requirements for your system as well as recommended vendors. Your system should include a PC compatible computer running Windows NT and should include a printer and modem. You will be required to upgrade your system if we upgrade our system for data collection. You will have independent access to your information and data and the Franchise Agreement does not impose contractual limitations on our right to access your information and data.

¹ On the job training is conducted at an existing 360 Gourmet Burritos Restaurant selected by us. Classroom training is conducted at our headquarters and is scheduled from on an as needed basis. Training at the franchised restaurant location consists of at least three days pre-opening and seven days post-opening. Pre-opening training will focus upon qualifying the franchisee's employees in each of the skills required for each respective worker position. Additionally, the lead trainer will assist the franchisee in preparing to open the restaurant.

² Currently, the designated Trainer for new Franchisees will be Ahmad Wafi Amin, whose work experience is described in Item 2, above.

ITEM 12. TERRITORY

Upon the execution of the Franchise Agreement by you and 360 Gourmet Burritos, you will receive the right to construct, own and operate a 360 Gourmet Burritos Restaurant at a specified location and one mile and a half radius around the location (the "Territory") and the exclusive rights to use the Operating System and provide our products and services at the restaurant location.

We reserve the right to sell, directly or through third parties, products that are the same as, or similar to those sold in 360 Gourmet Burritos Restaurants, using brand names the same as, or similar to, the Marks designated for use with the System, provided the items sold by the Company are either packaged or bottled and are sold for preparation or consumption off the selling premises, and are not sold by us through restaurant outlets.

We may operate and franchise restaurants and food establishments other than 360 Gourmet Burritos Restaurants. Franchisee agrees that we may do so at any location, including locations within the Territory, provided that such restaurants and food establishments are not operated under the names "360 Gourmet Burritos Restaurants," "360" or similar trade names. Under the Franchise Agreement, you acknowledge and agree that your franchise is solely for the Territory and affords you no rights in any additional franchise to be operated at any other location. Neither the Franchise Agreement nor our grant of your franchise obligates us in any way to sell or issue any other franchise.

We may also promote or conduct sales at fairs, athletic contests and special events through mobile units or temporary locations within your market area provided that the opportunity has first been offered to you in accordance with the terms of the Franchise Agreement.

The Franchisee has no territorial rights outside of the area specifically outlined in the Franchise Agreement.

ITEM 13. TRADEMARKS

Under the Franchise Agreement, we grant you the right to operate a 360 Gourmet Burritos restaurant under the name "360 Gourmet Burritos" and under any other trade names, trademarks, service marks and logos that we currently use or that we may later use in the operation of 360 Gourmet Burritos Restaurants. We have registered on the Principal Register of the U.S. Patent and Trademark Office the marks listed on Exhibit E which include: "360 Gourmet Burritos and Design," "360 and Design" and "Wrapping up the Flavors of the World." See Exhibit E for complete list of service marks and trademarks.

Except as described above, there are no presently effective determinations of the United States Patent and Trademark Office, the trademark administrator of this state or any court, any pending interference, opposition of cancellation proceedings or any pending material litigation involving such trademarks, service marks, trade names, logotypes, or other commercial symbols which are relevant to their use in this state or the state in which the franchise is to be located. We know of no prior registration of similar marks. In addition, there are no agreements currently in effect which significantly limit our rights to use or license the use of trademarks, service marks, trade names, logotypes or other commercial symbols in any manner material to the franchise.

We are not obligated by the Franchise Agreement, or otherwise, to protect your right to the use of our trademarks, service marks, trade names, logotypes or other commercial symbols and we are not obligated to protect you against claims of infringement or unfair competition with respect to the marks. We know of no infringing uses that would materially affect your use of our trademarks, service marks, trade names, logotypes or other commercial symbols in this state or any other state in which the franchise business will be located.

We may change or modify our commercial symbols and you are obligated to adopt, use, and display the new or modified commercial symbols. You must use all names and marks in full compliance with the rules prescribed periodically by us. You are prohibited from using any of our names or marks as part of any corporate name or with any prefix, suffix, or other modifying words, forms, designs or symbols (other than logos licensed by us to you). In

addition, you may not use any of our names or marks in connection with the sale of any unauthorized product or service in any other manner not explicitly authorized in writing by us.

There are no infringing uses actually known to us that could materially affect your use of such trademarks, service marks, trade names, logotypes or other commercial symbols in this state or any other state in which the franchise business is to be located.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or copyrights are material to the franchise. We treat the recipes and food preparation procedures that we use in our restaurants as proprietary trade secret information and you will be required to keep such information confidential.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement does not require that you personally participate in the actual operation of individual restaurant(s). We do, however, require that at least one person with a minimum of 10% ownership of the franchise must be involved in operating the restaurant and must reside in the Territory (5.01(i)). In addition the Franchise Owner, managers and employees must undergo training conducted by us.

We may also require certain key persons to participate in the franchise business. If that is the case, the names of these persons will be set forth in a Notice of Key Employees Form, which will be attached to the Franchise Agreement when executed.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to serve at the Franchised Restaurant all of the food and beverage products required by us now or in the future. Further, you are prohibited from offering or selling any products or services not authorized by us. In addition, you must provide your customers with an image and atmosphere meeting the minimum standards established by us. We reserve the right to change the types of authorized goods and services without limitation.

You are not limited in the customers you may serve from each Franchised Restaurant. However, you can only sell products on a retail basis, and not for resale by the purchasers to the general public through your restaurant facility. You are not permitted to distribute our products on a non-retail basis without our prior written consent and without entering into a separate agreement with us. You shall not sell or offer for sale any alcoholic beverages at or from your premises, except beer or wine which may be offered only where lawful and in strict compliance with the Confidential Operations Manual.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the Franchise Agreement. You should read these provisions in the Franchise Agreement attached to this offering circular.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
Length of the franchise	Section 2.01 and 2.02	10 years - with two five-year options, or concurrent with lease term not to exceed a total of 20 years.
Renewal or extension of the term	Section 2.03	Two five-year options if you are in good standing and comply with renewal conditions
Requirements for franchisee to renew or extend	Section 2.03	You must (a) give us written notice (b) not be in default (c) satisfy all monetary obligations (d) provide financial information as requested (e) execute our then current standard form renewal franchise agreement (f) execute a general release (g) provide evidence satisfactory to us that you have the right to remain in possession of the Franchised Restaurant for the duration of the renewal term and (h) complete, or provide for, such renovation and modernization of the Franchised Restaurant and Franchised Restaurant premises as we may reasonably require.
Termination by Franchisee	Section 3.01(e)	You have the option to terminate if the Franchised Restaurant is unusable as a restaurant by fire or other casualty within the two years immediately preceding the date of expiration and repairs cannot reasonably be made by Franchisee.
Termination by Franchisor without "cause"	None	Not applicable.
Termination by Franchisor with "cause"	Section 11.01	We can terminate if you default
"Cause" defined – curable defaults	Sections 11.01(c)	If you (1) fail, refuse or neglect to adhere to standards and specifications as set forth in the Confidential Operations Manual and otherwise adopted by us; (2) if you or any of your affiliates fail, refuse or neglect to pay promptly when due any amounts owed to us or any of our affiliates; (3) if you fail, refuse or neglect to submit to us any financial or other information required; (4) if you fail, refuse or neglect to obtain our prior written approval or consent as required; (5) if you fail, refuse or neglect to observe the conditions governing the sale of beer or wine set out in Section 5 of the Franchise Agreement; (6) if you fail, refuse or neglect to observe any other obligations under the Franchise Agreement or to carry out the terms of the Franchise Agreement in good faith.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
"Cause" defined - defaults which cannot be cured	Section 11.01(a) and (b)	(1) If you become insolvent or make a general assignment for the benefit of creditors; (2) if you are adjudicated bankrupt; (3) if a final judgment against you remains unsatisfied for 30 days or longer; (4) if execution is levied against your business or property to foreclose any lien against the assets of the Franchised Restaurant; (5) if you fail for any reason to have opened the Franchised Restaurant for business within one year from the date of the Franchise Agreement, or if you cease to operate or otherwise abandon or forfeit the <u>legal right</u> to transact business at the restaurant; (6) if you are convicted of a felony; (7) if you transfer any rights or obligations arising under the Franchise Agreement to any third party without our prior written consent; (8) if you misuse or make any unauthorized use of the proprietary marks (9) if you disclose to a third party any proprietary information or confidential information; (10) if you default under the Franchise Agreement after three or more notices of default have been sent to you; (11) if you make any material misrepresentation to us in any information or report provided prior to or during the term of the Franchise Agreement; (12) if you fail to repair or restore the Franchised Restaurant to its former condition within six months of its being damaged or rendered totally or partially unusable as a restaurant by fire or other casualty.
Franchisee's obligations on termination/non-renewal	Section 11.02	You must promptly pay to us all sums owed to us. You must immediately cease to use and shall not use any proprietary information or other trade secrets. You must, on or before the effective date of termination or expiration (i) remove from the franchised premises all signs, emblems and displays identifying it as being associated with 360 Gourmet Burritos and (ii) cease to use and return to 360 Gourmet Burritos all copies of the Confidential Operations Manual. We have an option to purchase.
Assignment of contract by Franchisor	Section 13.01	No restrictions on our right to assign.
"Transfer" by Franchisee - definition	Section 13.02	Includes transfer of Franchise Agreement or ownership in business entity.
Franchisor approval of transfer by Franchisee.	Section 13.02	We have the absolute right to approve all transfers. We shall not unreasonably withhold consent to any assignment if certain conditions are met.
Conditions for Franchisor's approval of transfer	Section 13.02	Written transfer request notice required. You cannot be in default, all monetary obligations must be satisfied, and sign a general release. Assignee (new Franchisee) must meet character, financial and managerial requirements and execute a current standard form franchise agreement. Assignee and/or its employees must complete our

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
		training. A transfer fee is charged.
Franchisor's right of first refusal to acquire Franchisee's business	Section 13.02(g)	We have the right to match any bona fide offer for your interest in the Franchise Agreement, assets or ownership interest.
Franchisor's option to purchase Franchisee's business.	Section 11.03	Upon termination or expiration, we shall have the option to purchase land, building, leasehold estate and improvements, any patented, special or unique items of 360 Gourmet Burritos Restaurant equipment at fair market value.
Death or disability of Franchisee	Section 13.02	Upon your death, your personal representative may sell or transfer interest to third party, subject to conditions as set forth in the Franchise Agreement. If no offer to sell is made and your rights are distributable to heirs, then provided heirs qualify, we will approve the transfer. The personal representative may transfer the affected interest in Franchisee to a third party, subject to the conditions set forth in the Franchise Agreement for any other transfer.
Noncompetition covenants during the term of the franchise	Section 12.02	Except as otherwise approved in writing by us during the term of the Franchise Agreement, you shall not own, engage in, or have any interest in any restaurant or food service business if (i) the Gross Sales of wraps or burritos of that restaurant or business constitute or are likely to constitute 50% or more of all sales of the restaurant or business.
Noncompetition covenants after the franchise is terminated or expires.	Section 12.02(c)	For a period of one year after the expiration or termination, you shall not own, maintain, engage in, or have any interest in any restaurant or business engaged in food service, which is located within one and one half miles of the Franchised Restaurant if the Gross Sales of wraps or burritos of the restaurant are likely to constitute fifty percent (50%) of all sales except as otherwise approved in writing by us.
Modification of the agreement	Section 14.09(d)	No amendment, change or variance from the Franchise Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing.
Integration/merger clause	Section 14.06	Franchise Agreement and listed additional agreements, if any constitute the entire agreement of the parties.
Dispute resolution by arbitration or mediation	None	Not applicable.
Choice of forum	Section 14.02	Litigation to be brought in Contra Costa County, California.
Choice of law	Section 14.02	California law applies.

These states have statutes that may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise:

ARKANSAS
CALIFORNIA
CONNECTICUT
DELAWARE
UFOC 2006

[Stat. Section 70-807];
[Bus. & Prof. Code Section 20000-20043];
[Gen. Stat. Section 42-133e et. Seq.];
[Del. Code Ann. Secs. 2551-2564t.];

HAWAII	[Rev. Stat. Section 482E-1];
ILLINOIS	[815 ILCS 705/19 and 705/20];
INDIANA	[Stat. Section 23-2-2.7];
IOWA	[Code Sections 523H.1-5523H.17];
MICHIGAN	[Stat. Section 19.854(27)];
MINNESOTA	[Stat. Section 80C.14];
MISSISSIPPI	[Code Section 75-24-51];
MISSOURI	[Stat. Section 407.400];
NEBRASKA	[Rev. Stat. Section 87-401];
NEW JERSEY	[Stat. Section 56:10-1];
SOUTH DAKOTA	[Codified Laws Section 37-54-51];
VIRGINIA	[Code 13.1.-557-574-13.564];
WASHINGTON	[Code Section 19.100.180];
WISCONSIN	[Stat. Section 135.03].

These and other states may have court decisions which may supersede the Franchise Agreement in your relationship with you including the areas of termination and renewal of your franchise.

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

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

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

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages are unenforceable.

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

ITEM 18. PUBLIC FIGURES

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

ITEM 19. EARNINGS CLAIMS

We do not furnish or authorize sales persons to furnish any oral or written information concerning potential sales, costs, income or profit of a 360 Gourmet Burritos Restaurant. Actual results may vary from restaurant to restaurant and we cannot estimate the results of a particular franchise.

ITEM 20. LIST OF OUTLETS

**LIST OF OUTLETS
FRANCHISED BUSINESS STATUS SUMMARY
FOR THE FISCAL YEARS 2005/ 2004/2003 FRANCHISES AND AREA GRANTS**

State	Sales	Transfers	Openings	Closings					Franchise or Area Grant Businesses Operating at Year End
				Cancelled or Terminated by Us	Not Renewed by Us	Reacquired by Us	Left the System for Other Reasons	TOTAL CLOSINGS	
California	3/4/3	0/0/0	4/0/1	0/0/0	0/0/0	1/0/0	0/0/0	1/0/0	4/1/1
Kentucky	0/0/1	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0
Minnesota	0/1/0	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0
Nevada	2/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Texas	1/0/0	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0
All states (franchises)	6/5/4	0/0/0	7/0/1	0/0/0	0/0/0	1/0/0	0/0/0	1/0/0	7/1/1
All states (area grants)	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0

**COMPANY-OWNED BUSINESS STATUS SUMMARY
FOR YEARS ENDED 2005/2004/2003**

State	Businesses Opened During Year	Businesses Closed During Year	Company-Owned Businesses Operating at Year End
California	0/0/1	1/0/0	7/8/8
TOTALS	0/0/1	1/0/0	7/8/8

LIST OF FRANCHISEESNAME, ADDRESSES, TELEPHONE

Monir Abedi
9160 East Stockton Blvd #130.
Elk Grove, CA 95624-9517
916-686-5040
Open February 2006

Akbar Arghandiwal
50 Post Street
San Francisco, CA 94104
415-398-4800

Nick Blanch
8610 Brentwood Blvd.
Brentwood, CA 94513
925-513-7997

Nasir Durani
4327 First St.
Livermore, CA 94550
925-447-9866

Hafiz Safdari
2745 Naglee Road
Tracy CA 95377
209-221-6603

Host International, Inc.
Contact: Bernard Brown
Cincinnati-Northern Kentucky International Airport
2939 Terminal Drive
Florence, KY 41042
Concord B
(240) 694-4400

Aero Food Inc. and Dallas Sportservice, Inc.
Contact: Burton E. Greenspan
Dallas Fort Worth International Airport
3200 East Airfield Drive
Terminal D
DFW Airport, TX 75261
(716) 858-5000

Hugh Enterprises, Inc.
Contact: Gregory Hugh
Minneapolis-St. Paul International Airport
Lindbergh Terminal M17
MSP International Airport
St. Paul, MN 55111
(952) 472-4757

**LIST OF TERMINATED FRANCHISEES
NAME, ADDRESSES, TELEPHONE**

Keum Sill Lee
150 Saratoga Ave. #355
Santa Clara, CA 95051
925-634-3994

**PROJECTED SALES AND OPENING IN YEAR 2006
(360 GOURMET BURRITOS RESTAURANT BUSINESSES)**

State	Franchises Sold but Not Opened as of 5/1/06	Franchises Projected to Be Sold in 2006	Projected New Franchisee-Owned Store Openings in 2006	Projected New Company-Owned Store Openings in 2006
California		5	5	1
Nevada	2	0	0	0
TOTAL	6	5	5	1

ITEM 21. FINANCIAL STATEMENTS

Attached hereto as Exhibit F, and incorporated by reference, are the audited financial statements of 360 Degree Franchise Corporation as of and for the years ended December 31, 2003, 2004, and 2005. Also attached is an unaudited balance sheet as of March 31, 2006.

ITEM 22. CONTRACTS

The following agreements are included as exhibits to this Offering Circular:

Franchise Agreement (with Confidentiality and Noncompetition Agreement, Personal Guaranty, state-required addenda following) - Exhibit C

ITEM 23. RECEIPT

Exhibit I includes a detachable document acknowledging your receipt of this offering circular.