



REDLINED

INFORMATION FOR PROSPECTIVE FRANCHISEES REQUIRED BY THE FEDERAL TRADE COMMISSION

TO PROTECT YOU, WE'VE REQUIRED YOUR FRANCHISOR TO GIVE YOU THIS INFORMATION. WE HAVEN'T CHECKED IT, AND DON'T KNOW IF IT'S CORRECT. IT SHOULD HELP YOU MAKE UP YOUR MIND. STUDY IT CAREFULLY. BUYING A FRANCHISE IS A COMPLICATED INVESTMENT. TAKE YOUR TIME TO DECIDE. IF POSSIBLE, SHOW YOUR CONTRACT AND THIS INFORMATION TO AN ADVISOR, LIKE A LAWYER OR AN ACCOUNTANT. IF YOU FIND ANYTHING YOU THINK MAY BE WRONG OR ANYTHING IMPORTANT THAT'S LEFT OUT, YOU SHOULD LET US KNOW ABOUT IT. IT MAY BE AGAINST THE LAW.

THERE MAY ALSO BE LAWS ON FRANCHISING IN YOUR STATE. ASK YOUR STATE AGENCIES ABOUT THEM.

FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Franchisor:

Charo Chicken Systems, Inc.
2134 Main Street, Suite 220
Huntington Beach, CA 92648
Telephone: (714) 960-2348
Fax: (714) 374-1889
<http://www.charochicken.com>

Broker:

Louis D. Franson
2134 Main Street, Suite 220
Huntington Beach, CA 92648
Telephone: (714) 960-2348
Fax: (714) 374-1889

Offering Circular Dated:



FRANCHISE OFFERING CIRCULAR

CHARO CHICKEN SYSTEMS, INC.

A California corporation
2134 Main Street, Suite 220
Huntington Beach, CA 92648
Telephone: (714) 960-2348
Fax: (714) 374-1889
<http://www.charochicken.com>

The franchisee will operate a fast-food restaurant featuring Mexican char-broiled chicken.

The initial franchise fee is \$25,000. When you sign a prefranchise agreement, you will pay us a prefranchise fee of \$10,000. The estimated initial investment is between \$518,350 and \$632,600.

Information about comparisons of franchisors is available. Call the State Administrators listed in Exhibit A-1 or your public library for sources of information.

Registration of this franchise with the State does not mean that the State recommends it or has verified the information in this offering circular. If you learn that anything in this offering circular is untrue, contact the Federal Trade Commission and the State Administrator for this State listed in Exhibit A-1.

EFFECTIVE DATE: