

MOE'S SOUTHWEST GRILL, L.L.C.

FOR

MOE'S SOUTHWEST GRILL



2003 UNIFORM FRANCHISE OFFERING CIRCULAR

MOE'S SOUTHWEST GRILL, L.L.C.

FOR

MOE'S SOUTHWEST GRILL



INFORMATION FOR PROSPECTIVE FRANCHISEES
REQUIRED BY
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. While it includes some information about your contract, don't rely on it alone to understand your contract. Read all of your contract 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 been 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

Non-Registration States Effective Date:	March 31, 2003
Florida Effective Date:	April 26, 2001
Indiana Effective Date:	September 24, 2002
Kentucky Effective Date:	August 2, 2002
Michigan Effective Date:	August 12, 2002
New York Effective Date:	August 1, 2002
North Carolina Effective Date:	April 24, 2001
Texas Effective Date:	November 21, 2001
Utah Effective Date:	June 19, 2002
Virginia Effective Date:	August 1, 2002

FRANCHISE OFFERING CIRCULAR



MOE'S SOUTHWEST GRILL, L.L.C.
2915 Peachtree Road
Atlanta, Georgia 30305
(404) 442-8330

The franchise offered is for the operation of a quick service and take-out MOE'S SOUTHWEST GRILL, a fresh-mex and southwestern restaurant offering lunch and dinner. The initial franchise fee is \$20,000. The estimated initial investment required ranges from \$179,000 to \$320,000.

Risk Factors:

1. THE FRANCHISE AGREEMENT PERMITS THE FRANCHISEE TO BE SUED IN GEORGIA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN GEORGIA THAN IN YOUR HOME STATE. ALTHOUGH THE FRANCHISE AGREEMENT STATES THAT THE FRANCHISEE MAY BE SUED IN GEORGIA, LOCAL LAW MAY SUPERSEDE THIS PROVISION IN YOUR STATE.
2. THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS. ALTHOUGH THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS, LOCAL LAW MAY SUPERSEDE THIS PROVISION IN YOUR STATE
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Information about comparisons of franchisors is available. Call the state administrators listed in Exhibit A 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 applicable state authority listed

EFFECTIVE DATE FOR NON-REGISTRATION STATES:	March 31, 2003
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- A. List of State Agencies
- B. Audited Financial Statements of MOE'S SOUTHWEST GRILL, L.L.C.
- C. MOE'S SOUTHWEST GRILL, L.L.C. Market Development Agreement
- D. MOE'S SOUTHWEST GRILL, L.L.C. Franchise Agreement
- E. Guaranty
- F. State Specific Addendum
- G. List of Franchisees
- G-1. List of Franchisees Not Doing Business or Out of Communication

ITEM I

THE FRANCHISOR, ITS PREDECESSORS AND AFFILIATES

The franchisor is MOE'S SOUTHWEST GRILL, L.L.C. (MOE'S). To simplify the language in this offering circular, MOE'S is referred to as "we" or "the Company" or MOE'S SOUTHWEST GRILL. "You" means the person or entity who buys the franchise. If the franchisee is a corporation, partnership or other entity, "you" includes the franchisee's owners.

The Company. The Company is a Georgia Limited Liability company organized on July 17, 2000. The Company presently does business under the name MOE'S SOUTHWEST GRILL. The Company's principal business address is 2915 Peachtree Road, Atlanta, Georgia 30305. For Agent for Service of Process information, see Exhibit "A".

The Company's Predecessors. There are currently no predecessors to the business.

The Company's Affiliates. There is currently one known affiliate of MOE'S. Moe's Peachtree, L.L.C. a Georgia Limited Liability company organized on October 12, 2000 and is in business to operate a company location for MOE'S. MOE'S currently owns twenty-five percent (25%) in this company.

The Company's Business. The Company operates restaurants and grants franchises for a chain of restaurants. As of the Company's most recent statements dated December 31, 2002, there is 1 company-owned restaurant and 42 franchised restaurants in 7 states. The principal concept is "MOE'S SOUTHWEST GRILL" a quick service, fresh-mex and southwestern food and take-out restaurant. The Company does not engage in any other business activities.

The MOE'S Franchise. We are offering in this state franchises to operate MOE'S SOUTHWESTERN GRILL restaurants. As of December 31, 2002, the Company had 1 company-owned and 42 franchised MOE'S SOUTHWEST GRILL restaurants. MOE'S SOUTHWEST GRILL restaurants are quick service fresh-mex and southwestern food restaurants. The menu includes a lunch and dinner and consists of nachos, unique burritos, tacos, salads, quesadillas, chips, rice, beans, drinks (alcoholic and non-alcoholic), sauces and other related menu items. A typical MOE'S SOUTHWEST GRILL restaurant will employ approximately 15-20 persons.

Under the Company's Market Development Agreement, a franchisee is granted the right to develop one or more MOE'S SOUTHWEST GRILL restaurants within a specified geographic area. A franchisee must enter into a separate Franchise Agreement for each MOE'S SOUTHWEST GRILL restaurant opened by that franchisee.

You must compete with numerous national and local restaurants. You will be competing with other quick service, take-out and delivery restaurants and fast food restaurants that offer similar menus and similar type businesses. The market for quick service and take-

out southwestern restaurants is well developed.

There are no regulations specific to the operation of a restaurant, although you must comply with all local, state and federal health and sanitation and environmental laws in the operation of your restaurant. There may be other laws applicable to your business and we urge you to make additional inquiries about these laws.

Prior Business Experience of the Company, Its Predecessors and Affiliates. The Company has operated MOE'S SOUTHWEST GRILL restaurants since 2001. The Company has offered franchises for MOE'S SOUTHWEST GRILL restaurants since 2001. The Company has never offered franchises for other types of restaurants.

ITEM 2

BUSINESS EXPERIENCE

Founder and Chairman, H. Martin Sprock, III

Mr. Sprock, founder of Moe's Southwest Grill, started the company in December, 2000, and is involved in all of the day-to-day business involving the operations of Moe's Southwest Grill restaurants and all franchising activities. In addition, Mr. Sprock is the co-founder of Planet Smoothie which was started in August, 1995. He remains involved as the Chairman of the Board. Prior to this, he was a real estate broker for Carter (Oncor International) from March 1991 to March, 1993 and owner of 12 different restaurants throughout the southeastern United States including a restaurant called Clarence Fosters from April, 1992 to September, 1997.

Vice President of Sales, Daryl Dollinger

From August 1991 to May, 1996 Mr. Dollinger was the Food Service Director/Regional Supervisor for Aramark Corporation, Rome, Georgia. From May, 1996 to September, 1998, he was the General Manager for Einstein Bros. Bagels, Atlanta, Georgia. From October, 1998 to July, 2002, he was Operations/Franchise Field Consultant for Planet Smoothie.

The only representatives of the Company authorized to offer MOE'S SOUTHWEST GRILL restaurant franchises and consult with persons interested in purchasing these franchises are H. Martin Sprock, III and Daryl Dollinger.

Neither the Company nor any person or franchise broker identified in Item 2 of this offering circular is subject to any currently effective order of any national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling those persons from membership in such association or exchange.

ITEM 3

LITIGATION

Komodo Holdings, Inc., a co-owner of several business operations unrelated to the Company, instituted a civil action, involving claims related to the operations of the co-owned business entities. *Komodo Holdings, Inc. v. Planet Smoothie, LLC; Whistler I, LLC; Power Boys, LLC; H. Martin Sprock; Robert A. Brand IV; M. Byron Smith IV and Davis A. Allen*, (Superior Ct. Fulton County, Ga., Civil No. E-59107, filed July 2, 1997). This action was settled and dismissed with prejudice in October of 1997. The settlement agreement provided Komodo Holdings, Inc.'s interest in the co-owned business entities be bought out for approximately \$80,000.00 as mutually agreed upon by Plaintiff and Defendants. Other than this action, no other litigation is required to be discussed in this offering circular.

Bucaj Enterprizes ("Bucaj") instituted an action in the State Court of Fulton County, Georgia for claims relating to an arbitration award between Bucaj and Planet Smoothie Franchises, LLC ("Planet Smoothie"), an entity unrelated to the Company. *Edward Bucaj v. H. Martin Sprock, III, Robert A. Brand, IV, and Chris Morocco*, (State Ct. Fulton County, Ga., Civil Number 02VS034776-C, filed June 26, 2002). With respect to the arbitration, Bucaj sought to amend the claim to add H. Martin Sprock, III and other officers of Planet Smoothie as individuals. The American Arbitration Association denied the request of Bucaj to have the individuals added. The state court action was subsequently filed naming the individuals as defendants. The state court action alleges violations of the New York Franchise Law and the New York Franchise Fraud Law, fraud, and conspiracy. These are virtually the same allegations contained in the Bucaj/Planet Smoothie arbitration proceedings. In the arbitration award, the arbiter found no fraud or conspiracy, but found Planet Smoothie failed to register properly with New York prior to entering into a franchise agreement. Sprock has moved to have the state court action dismissed. As of April 7, 2003, the State Court of Fulton County has withheld ruling on the pending motions to allow time for Planet Smoothie and Bucaj to reach an agreement for the payment of the judgment awarded in the Bucaj/Planet Smoothie arbitration.

ITEM 4

BANKRUPTCY

No person identified in Items 1 or 2 of this offering circular has been involved as a debtor in proceedings under the U.S. Bankruptcy Code (or comparable foreign law) required to be disclosed in this Item.

ITEM 5

INITIAL FRANCHISE FEE

The initial franchise fee is \$20,000.00 per restaurant. You must pay \$20,000.00 per restaurant when you sign a Market Development Agreement. Multi-franchise deals are subject to negotiation on a case by case basis taking into account such factors as demographics, number of proposed units, market conditions, etc. However, typically the franchise fee for a three location deal is \$50,000 (\$25,000 initial payment and \$25,000 payment upon signing lease for first location) and a ten location deal has a franchise fee up to \$150,000 (\$75,000 initial payment and a \$25,000 payment upon signing leases for the first, second and third locations). None of the initial franchise fee paid is refundable due to expenses and our lost or deferred opportunity to enter into Franchise Agreements with others.

The initial franchise fee is comprised of the following categories and percentages:

Services:	Real estate site selection - 13%
	Construction Assistance and Consulting - 18%
	Corporate Training - 27%
	Store Opening - 32%
Fees:	License - 10%

In the event the franchised location is not opened in the year the Franchise Agreement is executed, the Company shall perform the services by the end of the succeeding year.

ITEM 6

OTHER FEES

<u>Name of Fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks</u>
Royalty	5% of net sales	Every 2 weeks	Net Sales
Advertising Fee	Up to 2% of net sales	Every 2 weeks	Net Sales
Local Advertising Expenditures	2% of net sales	As determined by franchisee	Net Sales
Audits	depends on amount Cost of audit	30 days after billing	Payable only if you understate net sales for any period or periods by 5 % or more

Transfer Fee	\$10,000.00	Approval of Transfer by Company	Payable at time of transfer
Renewal	Our then current renewal fee	Upon signing Franchise Agreement	You may renew the Franchise Agreement up to an additional 20 year term, if you satisfy certain conditions (See Item 17)
Returned Check fee	\$50.00	Upon discovery	
Late Submissions Penalty Fee	\$100.00	If assessed	Payable when assessed

Explanatory Notes:

1. Non-Refundable Fees. All fees imposed by and payable to us are non-refundable.

2. Royalty. The royalty is uniform as to all persons currently acquiring a franchise except when we grant the franchise under an existing agreement.

3. Advertising Fee. We designate the advertising fee and may adjust that fee periodically. The advertising fee may currently not exceed 2% of net sales. The advertising fee is uniform as to all persons currently acquiring a franchise. The fee is used to defray the cost of producing and/or purchasing radio, television or printed advertising materials as we feel necessary on a national, regional or local basis. In no event shall the advertising fee exceed 4% of net sales.

4. Advertising Expenditures. These amounts are not paid directly or indirectly to us, but are required to be spent to promote your business.

5. Audits. We require that franchisees periodically submit to us certain sales reports and financial statements. We have the right to audit or cause to be audited your financial records. If any audit discloses an understatement of the net sales of your restaurant for any period of time, you must immediately pay to us the royalty and advertising fees based upon the amount of the understatement plus the late charge from the date the payments were originally due. We will conduct these audits at our expense; provided that, if an audit discloses an understatement of 5% or more of your net sales for any period or periods, you must reimburse us for all expenses of the audit.

6. Transfer Fee. If you obtain our consent to sell or assign your rights under a Franchise Agreement, Paragraph 17 of that agreement requires you to pay the then current transfer fee. This fee is presently \$10,000 per Franchise transferred, plus all legal, training and other expenses incurred by us for the transfer.

7. Net Sales. The term "net sales" as used in this agreement shall mean the gross sales of the restaurant (whether such sales are evidenced by cash, check, credit, charge account or otherwise), less sales tax collected on such sales and paid to the State and any approved allowable discounts. Gross sales meaning, equal to the amount actually received or receivable from all sales of every kind and nature from the Franchised Site, including but not limited to, the sale of food, beverages and services, whether sold for consumption on or off the premises, and receipts from food catering, and any insurance proceeds and/or condemnation awards received for loss of sales or business, all whether on a cash or charge basis, paid or unpaid, collected or uncollected.

8. Late Penalty Fees. All overdue payments shall bear interest from the date due at the rate specified by Franchisor from time to time, up to the highest rate permitted by the law of the state in which the Franchised Site is located or the laws of the state of GEORGIA, whichever is higher, but in no event to exceed eighteen percent (18%) per annum.

9. Renewal Remodeling Requirements. Franchisee will complete to Franchisor's satisfaction all maintenance, refurbishing, renovation, modernizing and remodeling of the MOE'S SOUTHWEST GRILL restaurant at the Franchised Site as Franchisor shall reasonably require so as to reflect the current image and standards of MOE'S SOUTHWEST GRILL restaurants.

10. Liquidated Damages. The damages for royalties due during the remainder of the original term of this agreement shall be calculated by multiplying the highest yearly amount of all fees paid by Franchisee under Paragraph 5(a) of the Franchise Agreement, times the number of years remaining in the term, as calculated from the effective date of this agreement.

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ITEM 7

INITIAL INVESTMENT

<u>Expenditure</u>	<u>Amount</u>	<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Paid</u>
Franchise Fee ¹	\$20,000	\$20,000	Upon signing Dev. Agr.	Franchisor
Lease 1 st month ²	\$3,000 to \$6,000	As Agreed	As Incurred	Lessor
Construction/ Leasehold	\$80,000 to \$130,000	As Agreed	As Incurred	Third Party
FFE ³	\$30,000 to \$80,000	As Agreed	Before Opening	Third Party
Signage	\$4,000 to \$8,000	As Agreed	As Incurred	Third Party
Opening Inventory ⁴	\$4,000 to \$6,000	As Agreed	As Incurred	Third Party
Security Dep.	\$3,000 to \$5,000	As Agreed	As Incurred	Third Party
Grand Opening	\$3,000 to \$5,000	As Agreed	As Incurred	Third Party
Miscellaneous Opening Costs ⁵	\$5,000 to \$10,000	As Agreed	As Incurred	Several Parties
Additional Funds - 3 Months ⁶	\$20,000 to \$50,000	As Incurred	As Incurred	Several Parties
Insurance Wrks comp.& liability	\$12,000 yr	Opening	As Incurred	Third Party
Training	\$11,000	Prior to opening	As Incurred	Third Party
TOTAL	\$195,000 to \$320,000			

Explanatory Notes:

1. Franchise Fee. Refer to Item 5 of this offering circular for information concerning the Franchise Fee. This fee is non-refundable.

2. Lease. You are responsible for obtaining the real estate on which the restaurant will be located. The cost for the real estate lease will vary greatly from location to location and we make no effort to state average rental or cost guidelines because of that wide variance. The average size for a MOE'S SOUTHWEST GRILL restaurant generally contains 1,400-2,400 square feet for dining.

3. FFE. You are required to have certain furniture, fixtures and equipment for the operation of the restaurant. Prices for each will vary for each restaurant due to the various building codes and health requirements, but the initial equipment package for MOE'S SOUTHWEST GRILL restaurants will cost approximately \$30,000 to \$80,000.

4. Opening Inventory. The cost of the inventory required to begin operations is approximately \$4,000 to \$6,000 (including paper products). You must purchase inventory from third parties.

5. Miscellaneous Opening Costs. In addition to the above items, you might have to pay for various building permits, prepaid tax payments, room and board costs during training classes, costs of the training team and pre-opening salaries for store employees.

6. Additional Funds - 3 Months. This estimates your initial start up expenses during the first 3 months following the opening of your restaurant. These expenses include payroll costs. This estimate is based on start-up expenses actually experienced by Company-owned MOE'S SOUTHWEST GRILL restaurants opened during the Company's calendar year ended December 31, 2002 . These figures are estimates and we cannot guarantee that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; your rent or mortgage payments; and the sales level reached during the initial period.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You are not required to purchase or lease any goods or services from us or from others designated by us, except as stated below.

You are obligated to operate the restaurant according to our systems standards. Systems standards may regulate, among other things, the types, models and brands of required fixtures, furnishings, equipment, signs, materials and supplies to be used in operating the restaurant, required or authorized products and product categories and designated or approved - suppliers of such items. You must purchase certain paper products including, among other things, plates, cups, boxes and containers bearing the "MOE'S SOUTHWEST GRILL" name or other trade names or service marks through certain designated suppliers who are authorized to manufacture these products. You must purchase certain hardware and software for the operation of a MOE'S SOUTHWEST

certain designated suppliers who are authorized to manufacture these products. You must purchase certain hardware and software for the operation of a MOE'S SOUTHWEST GRILL restaurant. Those suppliers are not affiliated with us and the Company is not an approved supplier. Neither we nor any of our affiliates will derive any income from these purchases.

Although there are no other goods, services, supplies, fixtures, equipment, inventory or real estate relating to the establishment or operation of the restaurant that you must purchase or lease from us or designated supplier, you are obligated to purchase or lease fixtures, equipment, furnishings, food products and related supplies that meet our minimum standards and specifications or are from suppliers that we approve. We will notify you of our standards and specifications and/or names of approved suppliers. There may be situations when you can obtain items from any supplier who can satisfy our requirements and, therefore, would be considered an approved supplier.

If you want to use any item that does not comply with systems standards or is to be purchased from a supplier that has not yet been approved, you must first submit sufficient information, specifications and/or samples for our determination whether the item complies with system standards or the supplier meets approved supplier criteria. We have the right to charge you a reasonable fee to cover the cost we incur making this determination and will, within a reasonable time, notify you of our decision. We will establish procedures for submitting requests for approval of items and suppliers and may impose limits on the number of approved items and suppliers. Approval of a supplier may be conditioned on requirements relating to product quality, standards of service and concentration of purchases and may be temporary, pending our further evaluation of the supplier. Approval of a supplier can be determined within seven (7) days after our receipt of your submitted request for approval based upon the established procedures.

We do not negotiate purchase arrangements with suppliers for the benefit of franchisees. Due to the volume of purchases made from suppliers by the Company and its franchisees, certain suppliers provide discounts to the Company and its franchisees. The Company does not negotiate for these discounts and does not monitor the amount of any discounts to franchisees.

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ITEM 9

FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND MARKET DEVELOPMENT AGREEMENT. IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS OFFERING CIRCULAR.

<u>Obligation</u>	<u>Paragraph(s) in Agreement</u>	<u>Item(s) in Offering Circular</u>
(MARKET DEVELOPMENT AGREEMENT [MDA])		
Site selection and acquisition/lease Agreement	1, 4, 6	5, 7, 11, 12
Pre-opening Purchases/leases	8, 10	7, 11
Site development and other pre-opening requirements	6, 9, 10, 12	7, 11
FRANCHISE AGREEMENT (FA)		
Initial and Ongoing training	9, 10	11
Opening	12 (MDA) 10 (FA)	7, 11
Fees	3, 11 (MDA/4,5,2,8,17(C))	5, 6, 7
Compliance with standards and policies/ Operating Manual	6, 7	None
Trademarks and proprietary information	13	13, 14
Restrictions on products/services offered	7	8, 16
Maintenance, appearance & remodeling requirements	7	None

Insurance	16	7
Advertising	8	7, 11
Indemnification	16	17
Owner's participation/ management	None	15
Records/reports	5 (c)	None
Inspections/audits	5 (c)	None
Transfer	17 (MDA)/17 (FA)	7, 17
Renewal	2	17, 20
Post-termination obligations	19, 20	17
Non-competition covenants	18, 25	17
Dispute resolution	None	None

At the request of the Company, the franchisee and any persons owning an interest in the franchisee must execute a guaranty agreement covering all amounts due under the Franchise Agreement and all other obligations of the franchisee to the Company and its affiliates.

ITEM 10

FINANCING

We do not offer, either directly or indirectly, any financing arrangements to our franchisees. We do not guarantee your note, lease or other obligations.

We are unable to estimate whether you will be able to obtain financing for any part or all of your investment and, if so, the terms of that financing.

ITEM 11

FRANCHISOR'S OBLIGATIONS

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

Before you open your business, we will do the following pursuant to the terms of the Market Development Agreement:

1. Designate a territory and the number of restaurants to be built within that territory by you (Market Development Agreement - Paragraphs 1 and 4).

2. Following application by you to open any MOE'S SOUTHWEST GRILL restaurant within the territory encompassed by the Market Development Agreement, review the proposed site and the operations and your financial condition, and, if these are found acceptable to us, authorize the development and construction of a MOE'S SOUTHWEST GRILL restaurant at the proposed site. You must purchase or lease your restaurant location from independent third parties (Market Development Agreement - Paragraph 6). The Company will approve or disapprove a proposed site within a commercially reasonable time period. In the event the Company and franchisee cannot agree on the proposed site, the franchisee will locate a proposed alternate site.

3. Provide 1 set of standard architectural plans and specifications for a prototype MOE'S SOUTHWEST GRILL restaurant upon acceptance of a proposed site (Market Development Agreement - Paragraph 9).

4. Furnish counseling and advisory services to you for the construction and pre-opening activities related to operation of MOE'S SOUTHWEST GRILL restaurants, including consultation and advice regarding parking and building layouts, traffic planning, construction and financing, equipment selection and layout, employee selection and training, advertising and promotion, bookkeeping and accounting, and purchasing and inventory control (Market Development Agreement - Paragraph 10).

5. Furnish you with mandatory and suggested specifications for equipment, signs, fixtures, opening inventory and supplies. You must purchase or lease these items from independent third party suppliers (Market Development Agreement - Paragraph 10).

6. Execute and deliver to you our form of Franchise Agreement in effect at that time upon payment of all required fees and performance of all required obligations by you for the particular restaurant then being developed under the Market Development Agreement (Market Development Agreement - Paragraph 12).

A Market Development Agreement does not impose any obligations for any particular restaurant upon us after a restaurant is opened. Any obligations of the Company following execution of a Franchise Agreement and the opening of the franchised restaurant arise solely from the Franchise Agreement.

Upon execution of a Franchise Agreement, we will do the following pursuant to the terms of the Franchise Agreement:

1. Grant you the right to use the MOE'S System and to operate a MOE'S SOUTHWEST GRILL restaurant at the approved location (Franchise Agreement -

Paragraph 1).

2. Provide you with counseling and advisory services for the opening and operation of the MOE'S SOUTHWEST GRILL restaurant, including consultation and advice regarding equipment selection and layout, employee selection and training, advertising and promotion, recipes, food, formulas and specifications, bookkeeping and accounting, purchasing and inventory control, operational problems and procedures, periodic inspections and new developments and improvements in the MOE'S System (Franchise Agreement - Paragraph 9).

3. Furnish you with mandatory and suggested specifications for equipment, signs, fixtures, opening inventory and supplies. You must purchase or lease these items from independent third parties.

4. Provide, at your expense, an opening team to assist in the opening of the restaurant and the training of your employees (Franchise Agreement - Paragraph 10).

Before you open a restaurant, we also provide you with assistance in site selection, assistance in ordering equipment, assistance in establishing local suppliers and on-site construction inspection. However, we are not bound to provide these services. We do not presently provide pre-opening local media advertising for newly franchised restaurants, but we will supply advertising materials for pre-opening advertising for new restaurants upon request and recommend that you take advantage of these materials. We are not required to provide local advertising under the Franchise Agreement.

After the franchised restaurant is opened for business, we will do the following pursuant to the terms of the Franchise Agreement:

1. Renew the Franchise Agreement upon your satisfaction of the conditions described in the Franchise Agreement (Franchise Agreement - Paragraph 2).

2. Use funds contributed by you to an advertising fund controlled by us to provide such advertising and advertising materials during the term of the Franchise Agreement as we deem necessary on a national, regional or local basis. We may require that you pay for some of the advertising materials we provide to you (Franchise Agreement - Paragraph 8).

3. Upon your request, furnish counseling and advisory services to you on subjects including equipment selection and layout, employee selection and training, advertising and promotion, recipes, food, formulas and specifications, bookkeeping and accounting, purchasing and inventory control, operational problems and procedures, periodic inspections and new developments and improvements in the MOE'S System (Franchise Agreement - Paragraph 9).

4. Review any proposed assignment of the Franchise Agreement and either approve or disapprove that proposed assignment (Franchise Agreement - Paragraph

17(c)).

We will, periodically, provide additional operational assistance through routine inspections, and advertising and marketing consultation with you. We also provide personnel training and national contracts of which you can take advantage. However, we are not required to provide these additional services.

Finding a location for your franchised restaurant is your obligation. Each Franchise Agreement is granted for a specific location only. Initially, under the terms of a Market Development Agreement, we will designate a geographic area in which you may select a proposed site for our acceptance. Our representatives will examine the proposed location and advise you, based upon our experience and a study of population, traffic count and information concerning income level of residents and housing costs and any other information available to us relative to the proposed location. While we offer counseling and advice in site selection, we do not guarantee the suitability or success of the accepted site (see Market Development Agreement - Paragraph 7). See Item 7 of this offering circular for size requirements. A prospective franchisee must submit specific site data and demographic and other information concerning the proposed site, including a current scaled map of city/town, area income analysis, area demographic description, traffic counts, site description and plot plan on site, color photos, area competition information, building and signage plans which we consider in accepting or rejecting the proposed site. If we reject a proposed site, it is your responsibility to locate and propose for acceptance an alternate site.

After the proposed site has been accepted, it is your responsibility to acquire the site, either by lease or purchase. It is also your responsibility to obtain necessary zoning and construction approvals and permits, architectural services and contracts for building construction or remodeling as required, and equipment in accordance with final building and equipment plans approved by us. We must accept all sites before the Franchise Agreement is signed.

You must open the Franchised restaurant for business within 90 days after execution of the Franchise Agreement by us, except for delay that we acknowledge in writing, which delay must be beyond your control. We estimate that, to complete the process and open for business, the typical length of time between payment of the Development Fee for a single unit Market Development Agreement and the opening of the Franchised restaurant is in a range between 90 and 120 days, depending on factors such as site selection, lease negotiations, obtaining acceptable financing arrangements, necessary zoning and building permits, meeting other local ordinances or community requirements, weather conditions, shortages, slow deliveries and other similar factors regarding completion of construction, remodeling, decorating, purchasing and installing equipment, fixtures and signs.

Training

We make available a training program which is held at our headquarters in Atlanta and lasts for approximately 2 weeks using the MOE'S Management Training Program Manual

(as described below in this Item 11). This is a self-paced program, including both classroom and on-the-job training, and requires demonstration of required tasks and a score of 90% or higher on the written exam for each section to progress to the next section. The program includes both classroom and on-the-job training. The program runs continuously. The classroom portion of the program addresses various areas of restaurant operations including administrative responsibilities, food cost controls, labor control, ordering, scheduling, security and other management duties. There is no charge for the program; however, you are responsible for the travel, living expenses, meals and all benefits (including, among other things, salary and insurance) of the enrollee. The training staff is made up of the training director, support training personnel and qualified store managers.

Training takes place before the opening of your first franchised unit. You, together with training personnel from our franchise department, will be placed in a MOE'S SOUTHWEST GRILL restaurant (generally company-owned) that already is in operation.

Training is mandatory for any "new" franchisee, if the franchisee has no prior association with our restaurant operations. We require that at least 2 of your management personnel attend.

As of our most recent fiscal year end, we provided the following training during the initial training period:

Subject	Materials	On-the-Job Hours	Classroom Hours
Products (overall)	Operations Manual	140 hours	3 hours
Shift Management	Operations Manual	24 hours	4 hours
Administrative	Operations Manual	6 hours	2 hours
Sanitation/Health	Operations Manual Vendor Manuals	2 hours	1 hour
POS	Vendor Manuals	3 hours	2 hours
General Business	Publications	3 hours	4 hours

The above represents approximately a 2 week training period (with 10 hour days). This period can be reduced depending on restaurant and overall business experience.

Additional training by the Company is available. Franchisees are encouraged, but not required, to attend this additional training.

The training staff is made up of the following persons:

Seth Salzman, V.P. of Operations

Mr. Salzman, from 1996 to March 2000, he was the regional Training General Manager for Bertucci's Brick Oven Pizzeria, White Marsh, Maryland. Prior to that and from 1994-1996 he was a Senior Manager for Steak & Ale restaurants in Atlanta, Georgia.

Daryl Dollinger, V.P. of Sales

From August, 1991 to May, 1996 Mr. Dollinger was the Food Service Director/Regional Supervisor for Aramark Corporation, Rome, Georgia. From May, 1996 to September, 1998, he was the General Manager for Einstein Bros. Bagels, Atlanta, Georgia. From October, 1998 to July, 2000, he was Operations/Franchise Field Consultant for Planet Smoothie.

National Advertising Fund

During your operation of the MOE'S SOUTHWEST GRILL restaurant, we will maintain and administer an advertising fund (the "Advertising Fund") for certain advertising, marketing and public relations programs and materials that we feel are necessary or appropriate in our sole discretion. You must contribute to the Advertising Fund such amounts that we require as adjusted periodically (see Item 6). MOE'S SOUTHWEST GRILL restaurants owned and operated by the Company and its affiliates, although not obligated to do so, also contribute to the Advertising Fund.

We will direct all programs financed by the Advertising Fund, with sole discretion over the creative concepts, materials and endorsements used. We may use the Advertising Fund to pay the costs of preparing and producing video, audio and written advertising materials; administering regional and multi-regional advertising programs, including, among other things, purchasing direct mail and other media advertising and employing advertising, promotion and marketing agencies to provide assistance; and supporting public relations, market research and other advertising, promotion and marketing activities. The Advertising Fund will furnish you with samples of advertising, marketing and promotional formats and materials at no cost. We will furnish you with multiple copies of these materials at our direct cost of producing them, plus any related shipping, handling and storage charges.

We will account for the Advertising Fund separately from our other funds and we will not use this fund to defray any of our operating expenses, except for those reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the Advertising Fund and its programs, including conducting market research, preparing advertising, promotion and marketing materials and collecting and accounting for contributions to the Advertising Fund. We may spend, for the benefit of the Advertising Fund, in any year an amount greater or less than the aggregate contribution of all MOE'S SOUTHWEST GRILL restaurants to the Advertising Fund in

that year, and the Advertising Fund may borrow from us or others to cover deficits or invest any surplus for future use. We will use all interest earned on monies contributed to the Advertising Fund to pay advertising costs before we expend other assets of the Advertising Fund. We will prepare an annual statement of monies collected and costs incurred by the Advertising Fund and furnish it to you upon written request. The Advertising Fund may not be audited. The Advertising Fund spent no money to solicit new franchisees. We have the right to cause the Advertising Fund to be incorporated or operated through a separate entity at any time and the successor entity will have all of the rights and duties described here.

The purpose of the Advertising Fund is to maximize recognition of the MOE'S SOUTHWEST GRILL trademarks and service marks and to maximize patronage of MOE'S SOUTHWEST GRILL restaurants. We will attempt to utilize the Advertising Fund to develop advertising and marketing materials and programs that will benefit all MOE'S SOUTHWEST GRILL restaurants, but we cannot ensure that all expenditures made by the Advertising Fund for any particular geographic area will be proportionate or equal to the contributions to the Advertising Fund made by restaurants in that area. We cannot ensure that any MOE'S SOUTHWEST GRILL restaurant will benefit directly in proportion to its contribution to the Advertising Fund. The Company does not assume any direct or indirect liability or obligation to you to collect amounts owed to, or to maintain, direct, or administer the Advertising Fund.

We reserve the right to defer or reduce contributions of a franchisee and, upon 30 days' prior written notice to you, to reduce or suspend contributions to and operations of the Advertising Fund for one or more periods of any length and to terminate (and, if terminated, to reinstate) the Advertising Fund. If the Advertising Fund is terminated, we will distribute all unspent monies on the date of termination to franchisees in proportion to their respective contributions to the Advertising Fund during the preceding 12 month period.

Local Marketing Expenditure

We know that it is critically important to have each MOE'S SOUTHWEST GRILL restaurant actively marketed to its local environment. In addition to your required contributions to the Advertising Fund as described above, you are obligated to spend annually for local advertising and promotion of your MOE'S SOUTHWEST GRILL restaurant an amount not less than 2% of net sales (see Item 6). We may review your books and records reflecting to your expenditures for such advertising and promotion. We will not credit the costs of telephone directory advertising and on-site signs toward this advertising obligation. Nor will the costs of products sold at reduced price or given away count toward fulfillment of this obligation.

All advertising, promotion and marketing must be completely clear and factual and not misleading and conforming to the highest standards of ethical marketing and you must submit for our approval the promotional and marketing materials that we have not prepared or previously approved before you use them. If you do not receive written

approval within 15 days after we receive the materials, we will be considered to have disapproved the materials. You may not use any advertising or promotional materials that we have disapproved and/or which do not represent the logo and trademarks in an acceptable way (see Section 8(f) of the Franchise Agreement and Items 6, 8 and 9 of this offering circular).

Manuals Provided to Franchisees

The following chart displays the table of contents of the manuals provided to franchisees as of January 1, 2002.

MOE'S SOUTHWEST GRILL RESTAURANT

OPERATING SYSTEMS MANUAL

TABLE OF CONTENTS

I.	Moe's Welcome.....	I-VI	6 pages
II.	Introduction	1-6	6 pages
III.	Training	7-23	17 pages
IV.	The Food	24-40	17 pages
V.	The Daily Grind	41-71	31 pages
VI.	Building The Crew.....	72-117	45 pages
VII.	Legal	118-135	18 pages
VIII.	Restaurant Construction Guide	Pocket Inserts	24 pages
IX.	Marketing Ideas.....	Pocket Inserts	2 pages
			166 Total

ITEM 12

TERRITORY

Market Development Agreement. Under a Market Development Agreement, you are able to obtain the rights to develop and operate a certain agreed upon number of MOE'S SOUTHWEST GRILL restaurants within a specified area. The size of the specified area covered by a Market Development Agreement is agreed upon by the franchisee and the Company and will vary depending on factors such as population and the ability of the franchisee. As long as that agreement is in effect, we may not establish another MOE'S SOUTHWEST GRILL restaurant, either company-owned or franchised, within the area covered by the Market Development Agreement. Other outlets selling similar products under a trade name or service mark other than "MOE'S SOUTHWEST GRILL," however, are not prohibited by the Market Development Agreement.

The continuation of your rights in the area encompassed by the Market Development Agreement is not dependent upon sales volume, market penetration (except developing the agreed upon number of restaurants within a certain period of time) or other contingency. However, upon the occurrence of certain events (including the failure by you to open the restaurant(s) required by the agreed upon schedule), we may terminate the Market Development Agreement. See Item 17. Also, if the Market Development Agreement is for the development of a single MOE'S SOUTHWEST GRILL restaurant, once the Franchise Agreement for that restaurant is executed, the Market Development Agreement terminates and you then have only the protected territory provided in the individual Franchise Agreement that has been executed for the MOE'S SOUTHWEST GRILL restaurant within the territory encompassed by the Market Development Agreement. See "Franchise Agreement" below and Item 17.

Upon any termination of the Market Development Agreement, you then have only the protected territory provided in any individual Franchise Agreements that have been executed for restaurants within the territory encompassed by the Market Development Agreement. See "Franchise Agreement" below and Item 17.

Franchise Agreement. A protected area is granted to each franchisee. The protected area is a circle having a 1.5 mile radius with the Franchised Site (as defined in the Franchise Agreement) as the center. However, if, before the execution of the Franchise Agreement, we determine that a smaller radius is appropriate due to the market conditions and you agree, the radius of the circle that is your protected area may be reduced. We may not establish another franchised MOE'S SOUTHWEST GRILL restaurant within your protected area.

We also may not establish a company-owned MOE'S SOUTHWEST GRILL restaurant within your protected area. However, the Franchise Agreement does not prevent the Company or its affiliates from offering within your protected area other franchises or company-owned outlets selling similar products under a different trade name and/or

service mark.

The continuation of the protected area provided in the Franchise Agreement is not dependent on certain sales volume or other definite criteria, but will continue as long as the Franchise Agreement remains in effect.

ITEM 13

TRADEMARKS

The Company grants you the right to operate a restaurant under the name "MOE'S SOUTHWEST GRILL". You may also use other current or future trademarks or service marks that are developed by us for use with "MOE'S SOUTHWEST GRILL" restaurants. The following trademarks and service marks pertaining to the MOE'S System are registered, or an application has been filed for registration, on the Principal Register of the United States Patent and Trademark Office.

Mark	Type	Serial Number	Application Date
MOE'S SOUTHWEST GRILL and Design	42	76/180755	December 13, 2000

The above mark is currently owned by H. Martin Sprock, III, an owner to Franchisor. On December 1, 2000, a License Agreement was executed between H. Martin Sprock, III and Moe's Southwest Grill, L.L.C. for the exclusive and non-restricted use and the franchise rights of MOE'S SOUTHWEST GRILL.

By not having a Principal Register federal registration for MOE'S SOUTHWEST GRILL, MOE'S SOUTHWEST GRILL does not have certain presumptive legal rights granted by a registration.

We have filed with the United States Patent and Trademark Office all affidavits required to apply for the registration of these marks.

No marks that you will use in the operation of a MOE'S SOUTHWEST GRILL restaurant have been registered with any state agency.

There are no currently effective determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, opposition or cancellation proceedings or any pending material litigation involving the principal trademarks, service marks, trade names, logotypes or other commercial symbols relevant to their use in any state.

There are no agreements currently in effect which significantly limit our rights to use or Franchise the use of these trademarks, service marks, trade names, logotypes or other commercial symbols.

We acknowledge and warrant in the Franchise Agreement that you will have the right and Franchise to use all these trademarks, service marks, trade names, logotypes or other commercial symbols used with the Franchised MOE'S SOUTHWEST GRILL restaurant. We are not obligated to protect you against claims of infringement or unfair competition for your use of these marks but, as a matter of corporate policy, will utilize our best efforts to protect you against these claims.

If your use of any of our names or marks is challenged or if you become aware of any infringement of our names or marks, you are obligated to immediately notify us and we will have sole discretion to take any action as we consider appropriate.

If we decide in our sole discretion to modify or discontinue use of any name or mark and/or use one or more additional or substitute names or marks, you are obligated to do so and we are not obligated to reimburse you for any costs associated with complying with this obligation.

We are not obligated to indemnify you against, or to reimburse you for, any damages that you suffer in any proceeding arising out of the use of any name or mark or for any costs incurred by you in the defense of any of these claims.

Under the Franchise Agreement, you acknowledge that we are the sole and exclusive owner of the marks and agree that you will not register or attempt to register the marks and will not use the marks as any part of your firm or corporate name domestically or internationally. You agree to assign, transfer and convey to us by any writing we may request all additional rights, if any, which you may acquire by reason of the use of the marks. The Franchise to use the marks is non-exclusive and the privileges granted by the Franchise Agreement with respect to the marks apply only to the Franchised location.

We have no knowledge of any actual infringing use materially affecting your use of our trademarks, service marks, trade names, logotypes or other commercial symbols.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents that are material to the franchise.

We claim copyright protection in our manuals and related materials, although these copyrights have not been registered with the United State Copyright Office. The operations manuals and related materials are considered confidential and proprietary and are considered our property and you may use them only in the operation of your restaurant

as provided in the Franchise Agreement. You may not use our confidential and proprietary information in any unauthorized manner and must take reasonable steps to prevent its disclosure to others.

There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or Franchise the use of the copyrighted materials. Finally, there are no infringing uses actually known to us that could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend copyrights or confidential information, although we intend to do so when this action is in the best interest of our system.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You (or your managing shareholder or partner) are not obligated to participate in the direct operation of your restaurant, although we recommend that you do so. If you (or your managing shareholder or partner) do not participate in your restaurant's day-to-day operations, the restaurant must at all times be under the direct, on-premises supervision of a manager. The manager must successfully complete our training program, but the manager is not obligated to own any equity interest in the franchised business. You must disclose the identity of the manager to us and you must require the manager to sign an agreement, in the form we provide, in which the manager agrees not to divulge any trade secret or confidential or proprietary information, including the contents of the operations manuals, or to participate in or have any interest in any competitive business.

If you are a corporation or partnership, each officer, director, 10% shareholder or partner must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale and sell only those products and services that we have approved. You may not offer for sale any products or perform any services that we have not authorized (see Items 8 and 9). We have the right to change the types of authorized products and services and there are no limits on our right to do so.

We place no restrictions on your ability to serve customers provided you do so from the location of your restaurant.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

The following table lists important provisions of the Market Development Agreement. You should read these provisions in the Market Development Agreement attached to this offering circular as Exhibit C.

<u>Provision</u>	<u>Section in Market Development Agreement</u>	<u>Summary</u>
(i) Term of the of Agreement	Section 2	Terminates at earlier of date execution of Franchise Agreement, if single unit agreement; or at date of execution of Franchise Agreement for last unit to be developed, if multiple unit agreement
(ii) Renewal	Section 2.2	No renewals are permitted.
(iii) Requirements for franchisee to renew or extend	None	
(iv) Termination by you	None	You may not terminate unless applicable law gives you that right
(v) Termination by the Company without cause	None	
(vi) Termination by the Company with cause	Section 14	The Company can terminate only if you default
(vii) "Cause" defined defaults that can be cured	Section 14	30 days for material violation; default under any other agreement with the Company and failure to cure within the time specified in that agreement
(viii) "Cause" defined defaults that cannot be cured	Section 19	Failure to open any restaurant within the time period specified; unapproved assignment of the agreement; material misrepresentation; unapproved transfers; bankruptcy; assignment for the benefit of creditors; repeated defaults (even if cured)
(ix) Your obligations on termination/	Sections 3 and 15	Development fees non-refundable; all rights granted under the

(x)	nonrenewal Assignment of contract by the Company		agreement are extinguished No restriction on the Company's right to assign
(xi)	"Transfer" by you – definition	Section 17	Restrictions on transfer of contract or assets and on ownership change
(xii)	The Company's approval of transfer by you	Section 17	The Company has the right to approve all transfers
(xiii)	Conditions for the Company's approval of transfer	Section 17(a)	No specific conditions stated for transfer during life. The Company may impose conditions on transfer
(xiv)	The Company's right of first refusal to acquire your business	None	
(xy)	The Company's option to purchase your business	None	
(xvi)	Your death or disability	Section 17(b)	No provision for disability; on death, the Company will not unreasonably withhold its consent to transfer to heirs who are capable of performing your obligations under the agreement
(xvii)	Non-competition covenants during the term of the franchise	None	
(xviii)	Non-competition covenants after the franchise is terminated or expires	None	
(xix)	Modification of the agreement	Section 24	No modifications, generally
(xx)	Integration/merger clause	Section 24	Only terms of the Market Development Agreement are binding (subject to state law). Any other promises may not be Enforceable
(xxi)	Dispute resolution by arbitration or mediation	None	

(xxii) Choice of forum	Section 26	Georgia Law
(xxiii) Choice of law	Section 26	Georgia Law

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

<u>Provision</u>	<u>Section in Franchise Agreement</u>	<u>Summary</u>
(i) Term of the franchise	Section 2	20 years
(ii) Renewal or extension of the term	Section 2	If you are in good standing, you can renew for 1 additional 20 year terms
(iii) Requirements for you to renew or extend	Section 2	You must be in substantial compliance with agreement, sign a current agreement (which may increase fees payable by you), pay fee, remodel, be current in payments, attend retraining program and be in operational and financial good standing
(iv) Termination by you	None	You may not terminate unless applicable law gives you that right
(v) Termination by the Company without cause	None	
(vi) Termination by the Company with cause	Section 19	The Company can terminate only if you default
(vii) "Cause" defined - defaults that can be cured	Section 19	365 days after loss of possession by condemnation; 150 days after loss of possession by casualty; 30 days for operational defaults; 10 days for monetary defaults
(viii) "Cause" defined - defaults that cannot be cured	Section 19	Abandonment, unapproved transfers, bankruptcy, assignment for the benefit of creditors, repeated defaults (even if cured), falsification of reports
(ix) Your obligations on termination/nonrenewal	Section 20	Pay all amounts then due plus damages for the right to receive royalties for the remainder of the contract, return of confidential

			information, deidentification
(x)	Assignment of contract by the Company	None	No restriction on the Company's right to assign
(xi)	"Transfer" by you -definition	Section 17	Restrictions on transfer of contract or assets and on ownership change
(xii)	The Company's approval of transfer by you	Section 17	The Company has the right to approve all transfers
(xiii)	Conditions for the Company's approval of transfer	Section 17	No use of "MOE'S SOUTHWEST GRILL" name in advertising unit for sale, new franchisee qualifies, all amounts due are paid in full, transfer fee paid, purchase agreement approved, release signed by you and current agreement signed by new franchisee. The Company may also impose other conditions
(xiv)	The Company's right of first refusal to acquire your business	Section 21	The Company can match any offer for your business
(xv)	The Company's option to purchase your business	Section 22	The Company can buy the unit on termination or non-renewal for the price set forth in the Agreement
(xvi)	Your death or disability	Section 17(b)	No provision for disability; on death, the Company will not unreasonably withhold its consent to transfer to heirs who are capable of performing your obligations under the agreement
(xvii)	Non-competition covenants during the term of the franchise	Sections 18 and 25	You may not have any interest in any business that simulates the "MOE'S System;" you also may not operate a restaurant that is similar to a "MOE'S SOUTHWEST GRILL" restaurant anywhere that is within 1.5 miles of any "MOE'S SOUTHWEST GRILL" restaurant or other geographic limits
(xviii)	Non-competition covenants after the franchise is terminated or	Section 18	No competing business for 12 months within 1.5miles of any "MOE'S SOUTHWEST GRILL" restaurant or other geographic limits

	expires		
(xix)	Modification of the agreement	Section 7	No modifications generally but operating manuals subject to change
(xx)	Integration/merger clause	Section 34	Only terms of the Franchise Agreement are binding (subject to state law). Any other promises may not be enforceable
(xxi)	Dispute resolution by arbitration or mediation	Section 31	
(xxii)	Choice of forum	Section 31	Georgia law applies
(xxiii)	Choice of law	Section 31	Georgia law applies

The following states have statutes which may supersede the Franchise Agreement in your relationship with the Company, including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. and Prof. Code Sections 20,000-20,043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code Sections 2551-2556], 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 - 523H. 171], 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 37-5A-5 1], VIRGINIA [Code 13.1-557-574], 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 the Company, including the areas of termination and renewal of your franchise.

The provisions of the Market Development Agreement and Franchise Agreement providing for termination upon bankruptcy of the franchisee may not be enforceable under the United States bankruptcy laws (11 U.S.C.A. Sec. 101 et seq.).

Although nothing in the Market Development Agreement requires the Company to settle disputes through mediation, the Company encourages the resolution of disputes under the Market Development Agreement pursuant to non-binding mediation before the commencement of any judicial action.

ITEM 18

PUBLIC FIGURES

We do not use any public figures to promote the MOE'S SOUTHWEST GRILL franchise.

ITEM 19

EARNINGS CLAIMS

We do not furnish or authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits of a "MOE'S SOUTHWEST GRILL" restaurant. Actual results may vary from unit to unit, and we can not estimate the results of any particular franchise. We have specifically instructed sales personnel, agents, employees and offices that they are not permitted to make claims or statements as to earnings, sales, profits or prospects or chances of success, nor are they authorized to represent or estimate dollar figures as to any particular "MOE'S SOUTHWEST GRILL" restaurant. You should not rely upon any unauthorized representations as to earnings, sales, profits or prospects or chances of success and, should they occur, you should inform us.

ITEM 20

There are 37 MOE'S SOUTHWEST GRILL franchises as of the date of this circular.

STATUS SUMMARY OF FRANCHISED STORES FOR THE YEARS 2002/2001/2000/1999 As of December 31, 2002

STATE	Transfers	Cancelled / Terminated	Not Renewed	Reacquired / by Franchisor	Left System	Total left clmn	Total operating year end
AL	0/0/0/0	1/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	4/0/0/0
FL	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	8/0/0/0
GA	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	18/5/0/0
MS	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	2/0/0/0
NC	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	2/1/0/0
SC	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	2/0/0/0
TX	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	1/0/0/0
Totals	0/0/0/0	1/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	0/0/0/0	37/6/0/0

For the names and last known home addresses and telephone numbers of every franchisee who has had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who has not communicated with the Franchisor within 10 weeks of the application date, see Exhibit G-1, "List of Franchisees Not Doing

Business or Out of Communication."

**STATUS OF COMPANY OWNED STORES
FOR THE YEARS 2002/2001/2000/1999**

As of December 31, 2002

STATE	STORES CLOSED DURING YEAR	STORES OPENED DURING YEAR	TOTAL STORES AT THE END OF THE YEAR
Georgia	0/0/0/0	0/1/0/0	0/1/0/0

**STATUS OF FRANCHISED STORES
FOR THE YEARS 2002/2001/2000/1999**

As of December 31, 2002

STATE	STORES CLOSED DURING YEAR	STORES OPENED DURING YEAR	TOTAL STORES AT THE END OF THE YEAR
Alabama	1/0/0/0	4/0/0/0	4/0/0/0
Florida	0/0/0/0	8/0/0/0	8/0/0/0
Georgia	0/0/0/0	13/5/0/0	18/5/0/0
Mississippi	0/0/0/0	2/0/0/0	2/0/0/0
North Carolina	0/0/0/0	1/1/0/0	2/1/0/0
South Carolina	0/0/0/0	2/0/0/0	2/0/0/0
Texas	0/0/0/0	1/0/0/0	1/0/0/0

PROJECTED OPENINGS

as of December 31, 2002

State	Franchise Agr. Signed But restaurant Not Yet Open	Projected Franchised New Restaurant In The Next Fiscal Year	Projected Company-Owned Openings In Next Fiscal Year
Alabama	2	2	0
Florida	26	26	0
Georgia	24	24	0
Kentucky	1	1	0

Louisiana	3	3	0
Mississippi	1	1	0
New Jersey	1	1	0
North Carolina	8	8	0
South Carolina	9	9	0
Tennessee	3	3	0
Texas	1	1	0
Virginia	6	6	0
Washington DC	1	1	0
Totals	86	86	0

ITEM 21

FINANCIAL STATEMENTS

Attached to this offering circular as Exhibit B are the audited financial statements of the Company as of December 31, 2001 and as of December 31, 2002. The Company was incorporated on July 17, 2000, but did not commence business until 2001.

ITEM 22 CONTRACTS

The following agreements are attached as exhibits to this offering circular:

Market Development Agreement	Exhibit C
Franchise Agreement	Exhibit D
Guaranty	Exhibit E