

Edgar Filing: Franchise Capital Corp. - Form 8-K

Franchise Capital Corp.
Form 8-K
December 30, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) December 30, 2005

Franchise Capital Corporation
(Exact name of Registrant as specified in charter)

Nevada (State or other jurisdiction of incorporation)	333-72392 (Commission File Number)	98-0353403 (I.R.S. Employer Identification)
---	--	---

8566 E. Via De Ventura Suite G217 Scottsdale, AZ (Address of principal executive offices)	85258 (Zip Code)
---	---------------------

Registrant's telephone number, including area code: (480) 355-8142

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT and

ITEM 1.02 TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT

On December 29, 2005, Franchise Capital Corporation and Creative Eateries Corporation executed a Rescission and Funding Agreement which rescinded the October 4th, 2005 Purchase Agreement under which Creative Eateries Corporation was acquiring interests in restaurants and concepts from Franchise Capital Corporation. The rescission was a result of several disputed issues related to the Purchase Agreement, including certain representations made or relied upon by the parties in connection with the Purchase Agreement and non-payment of consideration required by the Purchase Agreement.

In addition, pursuant to the Rescission and Funding Agreement, Creative Eateries has agreed to provide the needed capital to develop two restaurant concepts, Kokopelli Sonoran Grill and Comstock Jake's, through April, 2006. In consideration for providing funding as scheduled, Creative Eateries would receive an amount equal to 50% of profits received by Franchise Capital Corporation from Kokopelli Sonoran Grill and Comstock Jake's for a five-year period.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

Exhibit No. 10: Rescission and Funding Agreement dated December 29, 2005.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the

Edgar Filing: Franchise Capital Corp. - Form 8-K

undersigned here unto duly authorized.

Date: December 30, 2005

Franchise Capital Corporation

By: /s/ Edward C. Heisler

Edward C. Heisler, Chairman & CEO