FRANCHISE DISCLOSURE DOCUMENT
Hana Group Franchising, LLC d/b/a
Mai Franchising, LLC
A Delaware limited liability company
6390 Hedgewood Drive, Suite 300
Allentown, PA 18106
Tel (267) 264-2345
info@maifranchising.com
www.maifranchising.com

The franchisee will operate a Mai sushi bar specializing in pre-packaged and made-to-order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items. The franchisee may be given the opportunity to operate one or more Mai satellite sushi bars.

The total investment necessary to begin operation of a new Mai sushi bar is from $42,170 to $133,500. This includes between $13,470 and $49,500 that must be paid to the franchisor or an affiliate. The total investment necessary to begin operation of a new Mai satellite sushi bar is from $5,900 to $25,500. This includes between $4,150 and $20,000 that must be paid to the franchisor or an affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Reeta Ale Magar, 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106, telephone number (267) 264-2345.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as *"A Consumer's Guide to Buying a Franchise,"* which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them. Issuance date: ~~August 4, 2023, as amended July 9~~October 16, 2024.

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Mai sushi bar business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Mai sushi bar franchisee?	Item 20 or Exhibit D lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About This Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in the Commonwealth of Pennsylvania. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in the Commonwealth of Pennsylvania than in your own state.

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. If so check the "State Specific Addenda" pages for your state.

NOTICE REQUIRED BY
STATE OF MICHIGAN

(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

A. A prohibition on the right of a franchisee to join an association of franchisees.

B. A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this Act. This does not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

C. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause includes the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

D. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

E. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

F. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

G. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause

includes, but is not limited to:

i. The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

ii. The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

iii. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

iv. The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

H. A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

I. A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

Michigan Department of Attorney General
Consumer Protection
Franchise Section
525 W. Ottawa Street
G. Mennen Williams Building, 1st Floor
P.O. Box 30213
Lansing, MI 48909
(517) 335-7567

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

TABLE OF CONTENTS **PAGE**

ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES 1
ITEM 2. BUSINESS EXPERIENCE ~~4~~5
ITEM 3. LITIGATION 5
ITEM 4. BANKRUPTCY ~~5~~9
ITEM 5. INITIAL FEES ~~5~~9
ITEM 6. OTHER FEES ~~7~~11
ITEM 7. ESTIMATED INITIAL INVESTMENT ~~16~~20
ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES ~~21~~25
ITEM 9. FRANCHISEE'S OBLIGATIONS ~~26~~30
ITEM 10. FINANCING ~~28~~31
ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING ~~29~~33
ITEM 12. TERRITORY ~~40~~44
ITEM 13. TRADEMARKS ~~42~~46
ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION ~~44~~48
ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS ~~44~~48
ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL ~~45~~49
ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION ~~45~~49
ITEM 18. PUBLIC FIGURES ~~54~~58
ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS ~~54~~58
ITEM 20. OUTLET AND FRANCHISEE INFORMATION ~~55~~59
ITEM 21. FINANCIAL STATEMENTS ~~60~~59
ITEM 22. CONTRACTS ~~60~~59
ITEM 23. RECEIPTS ~~60~~59

EXHIBIT A **STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS**

EXHIBIT B **FRANCHISE AGREEMENT AND RELATED MATERIALS EXHIBITS TO FRANCHISE AGREEMENT:**

1. PRINCIPAL TRADEMARKS

2. SUBLICENSE AGREEMENT

3. SATELLITE AMENDMENT

4. GENERAL RELEASE

5. CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT

	6.	CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT FORM
	7.	GUARANTEE
	8.	EQUIPMENT LEASE AGREEMENT (SUSHI ROBOT)
	9.	~~8.~~ FRANCHISEE COMPLIANCE CERTIFICATION
	10.	~~9.~~ STATE AMENDMENTS
EXHIBIT C		CONFIDENTIAL OPERATING MANUAL TABLE OF CONTENTS
EXHIBIT D		LIST OF FRANCHISEES
EXHIBIT E		FINANCIAL STATEMENTS
EXHIBIT F		STATE ADDENDA TO DISCLOSURE DOCUMENT
EXHIBIT G		STATE EFFECTIVE DATES
EXHIBIT H		RECEIPTS

ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, "we," "us" or "our" means Hana Group Franchising, LLC d/b/a Mai Franchising, LLC, the "Franchisor." "You" means the individual, corporation, limited liability company or partnership who buys the franchise, the Franchisee. If Franchisee is a corporation, limited liability or partnership, then "you" also includes Franchisee's shareholders, members or partners.

The Franchisor:

We are a Delaware limited liability company formed on June 12, 2015 under the name Mai Franchising, LLC. We changed our name to Hana Group Franchising, LLC on September 30, 2021. We do business under the name "Mai" and "Mai Franchising, LLC." Our principal business address is 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. Our telephone number is (267) 264-2345, our facsimile number is (844) 802-7510 and our email address is info@maifranchising.com. Our agents for service of process in the states whose franchise laws require us to name a state agency as agent for service of process are shown on Exhibit A.

We offer franchises for the operation of sushi bars under the name Mai featuring a variety of pre-packaged and made-to-order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items, which may change from time to time (the "Products"). We began offering Mai franchises in 2015. We previously have not conducted a business of the type to be operated by you, but our parent and affiliate has operated such businesses. We have had no predecessors during the 10-year period immediately before the close of our most recent fiscal year.

We also offer franchises for the operation of sushi bars under the name Genji featuring a variety of pre-packaged and made-to-order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items, which may change from time to time. The offer of Genji franchises is made under a separate franchise disclosure document. We began offering Genji franchises in May 2022. As of the ~~issuance~~ date of this franchise disclosure document, we have sold ~~15~~37 Genji franchises. Other than the Genji and Mai franchise offerings, we have not offered franchises in any other line of business. Other than the Genji franchise business, we do not currently operate any other business of the kind described in this disclosure document but we may do so in the future. We do not operate any other type of business other than the Mai and Genji franchise businesses. The primary difference between the Genji and Mai franchise offerings is that the Genji franchise offering is primarily offered within Whole Foods Market retail locations, while the Mai franchise offering is offered within the retail locations of our other third-party operator partners.

Our Parents, Predecessor and Affiliates:

Our parent is Hana Group US, LLC. It is a Delaware limited liability company formed originally as a Delaware corporation on April 22, 2016 and converted to a Delaware limited liability company on April 26, 2016. Hana Group US, LLC has a principal business address of 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. As part of an internal reorganization, our former parent and wholly-owned subsidiary of Hana Group US, LLC, Peace Dining Corporation, merged with and into Hana Group US, LLC, effective September 30, 2021. Peace Dining Corporation was a Pennsylvania corporation formed on February 13, 1997 under the name Genji Sushi Express, Inc. Genji Sushi Express, Inc. changed its

name to Genji, Inc. on January 1, 2008. Genji, Inc. changed its name to Peace Dining Corporation on December 30, 2011. From its formation to March 31, 2010, Peace Dining Corporation operated sushi bars under the name Genji which were similar to the franchised business offered in this Disclosure Document. Hana Group US, LLC currently does not operate a business similar to the franchised business offered in this Disclosure Document. Hana Group US, LLC has not offered franchises in this or any other line of business.

We have two affiliates: Hana Group Ops, LLC; and GHG Logistics, LLC. Hana Group Ops, LLC is a Delaware limited liability company. It was formed on March 31, 2010 under the name Genji Retail Support, Inc. On December 29, 2011, Genji Retail Support, Inc. changed its name to Genji, LLC and converted from a corporation to a limited liability company. Genji, LLC changed its name to Hana Group Ops, LLC on September 30, 2021. Hana Group Ops, LLC has a principal business address of 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. From April 1, 2010 to the present, Hana Group Ops, LLC has operated sushi bars under the name "Genji", and from October 1, 2021 to the present, Hana Group Ops, LLC has operated sushi bars under the name "Mai", each of which are similar to the franchised business offered in this Disclosure Document. As of the date of this Disclosure Document, Hana Group Ops, LLC operates ~~213~~189 Genji sushi bars located in the United States and ~~11~~20 Genji sushi bars located internationally. As of the date of this Disclosure Document, Hana Group Ops, LLC operates ~~9~~1 Mai sushi ~~bars~~bar located in the United States and ~~22~~34 Mai sushi bars located internationally. In addition, Hana Group Ops, LLC assumed control of the distribution warehouses previously controlled by GHG Logistics, LLC (which is under common control and ownership with Hana Group Ops, LLC by Hana Group US, LLC), such that Hana Group Ops, LLC distributes the food products and supplies (including the Products or items needed to produce the Products) to franchisees and company-owned locations in support of the company-owned and franchised Mai Sushi Bars (and Mai Satellite Sushi Bars) and Genji sushi bars. Hana Group Ops, LLC has not offered franchises in this or any other line of business.

Our affiliate, GHG Logistics, LLC, is a Delaware limited liability company formed on March 31, 2010. GHG Logistics, LLC has a principal business address of 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. GHG Logistics, LLC ~~distributes~~provides logistical support for the distribution of food products and supplies to Mai and Genji franchisees and Mai and Genji company-owned and franchised sushi bar locations, among other activities. GHG Logistics, LLC does not operate a business similar to the franchised business offered in this Disclosure Document nor has it ever offered franchises in this or any other line of business.

The Franchise Offered:

We grant franchisees the right to develop and operate Mai sushi bars. Mai sushi bars are generally located in supermarkets, grocery stores, hospitals, corporate cafeterias and other similar locations ("Retail Locations") operated by third-party operators ("Retail Operators"). Retail Locations are typically located in urban or suburban settings with proximity to residential areas or commercial areas. A Mai sushi bar that has Products prepared on-site at the Retail Location is called a "Mai Sushi Bar." In some instances, we may offer to you the right to or require that you operate a display and/or merchandising case, which contains pre-packaged Products, within a Retail Location (a "Mai Satellite Sushi Bar").

If you are interested in operating a Mai Sushi Bar, we will require you to sign a franchise agreement, a form of which is attached as Exhibit B ("Franchise Agreement"). We will offer single unit franchises to those who are interested in opening a single Mai Sushi Bar. In some instances, we may sell to you a franchise for a Mai Sushi Bar that we or an affiliate is then operating.

We may offer to you the right to or require that you operate one or more Mai Satellite Sushi Bars located within a forty (40) mile radius of your Mai Sushi Bar. The Products for your Mai Satellite Sushi Bar are prepared on-site at your Mai Sushi Bar and delivered by you to your Mai Satellite Sushi Bar. You may not operate a Mai Satellite Sushi Bar without operating a Mai Sushi Bar. You will be required to sign an amendment to your Franchise Agreement for each Mai Sushi Satellite Bar you operate. If your Franchise Agreement is terminated or expires, you will no longer have the right to operate a Mai Sushi Bar and/or Mai Satellite Sushi Bars under that agreement.

We enter into a vendor license agreement or similar agreement (a "Vendor Agreement") with each Retail Operator that gives us or our designee the right to operate a Mai Sushi Bar or a Mai Satellite Sushi Bar in a Retail Location. We will negotiate the terms of a Vendor Agreement with a Retail Operator before offering a franchise to you. You will not enter into a lease or any other agreement with a Retail Operator. You are not a third-party beneficiary of the Vendor Agreement. Your Franchise Agreement will give you the right to operate a Mai Sushi Bar in a specific Retail Location. The Franchise Agreement will require that you comply with the requirements of the Vendor Agreement and the Retail Operator at all times. Your right to operate a Franchised Business (defined below) is conditioned upon the right to operate a Mai Sushi Bar at the Retail Location. If for any reason, the Vendor Agreement for the Retail Location for your Mai Sushi Bar expires or is terminated, we may terminate your Franchise Agreement. We will not compensate you for the loss of the right to operate a Mai Sushi Bar at that Retail Location and we do not guaranty, warrant or promise that we will find you another Retail Location for the operation of a Mai Sushi Bar.

While the terms of the Vendor Agreement will vary based on the Retail Operator of the location of your Franchised Business, the terms and conditions of the Vendor Agreement you will be expected to comply with are generally consistent with your obligations under your Franchise Agreement and the Confidential Operating Manual, and include, generally, adherence to our signage and display requirements, properly disposing of unsold Products and Product ingredients, following Retail Operator's recall procedures with respect to any required recall of Products, the requirement to operate your Mai Sushi Bar and, if applicable, Mai Satellite Sushi Bar during stated, agreed-upon hours and to appropriately stock your Mai Sushi Bar and, if applicable, Mai Satellite Sushi Bar during such operating hours with the proper mix and quantity of Products (prepared in accordance with Franchisor's specifications), consistent with our System standards, compliance with periodic Retail Operator requests to engage in Product sampling for customers, compliance with applicable law and permitting requirements necessary under applicable laws for the operation of your Mai Sushi Bar and, if applicable, Mai Satellite Sushi Bar, compliance with Retail Operator's requirement to relocate your Mai Sushi Bar or Mai Satellite Sushi Bar within a Retail Location (see Item 12 for additional information regarding relocation requirements), maintain the space allotted to your Franchised Business within a Retail Location in a manner reasonably suited to Retail Operator's quality standards, and to generally follow the rules, regulations and restrictions for the Retail Location applicable to you, consistent with the Retail Operator's normal store operating procedures and policies.

Under the terms of the Vendor Agreement, the Retail Operator will retain a percentage of your Gross Sales made on its registers as its Retail Commission. The Retail Commission rate varies by Retail Operator and Retail Location but it typically ranges between twenty percent (20%) and twenty-eight percent (28%) of Gross Sales, which will be deducted from your Gross Sales. The Retail Commission rate shall not exceed twenty-eight percent (28%). After the Retail Operator retains its Retail Commission, it will remit the balance of the Gross Sales to us, which we will then pay to you, after deducting our Royalty from that amount. See Item 6, Note 2 for additional information regarding the determination and payment of Gross Sales, Retail Commissions and Royalties.

At least fourteen days prior to you signing your Franchise Agreement, we will make available to you a copy of the Vendor Agreement specific to the Retail Location where your Mai Sushi Bar will be located and provide you with a sufficient opportunity to review the Vendor Agreement and ask us questions regarding the Vendor Agreement prior to you signing your Franchise Agreement.

Mai Sushi Bars and Mai Satellite Sushi Bars use a comprehensive business system described in this disclosure document (the "System") and operate under the Principal Trademarks (defined below) (collectively the "Franchised Business"). The System is characterized by: a unique layout; a special selection of Products which are prepared by using our procedures, recipes and preparations (which may be changed from time to time); our designated methods for operation; training program; unique trade dress (including color schemes, patterns, design, décor and layout); and marketing and promotional programs and materials. We may change the System or any part of it from time to time.

A typical Mai Sushi Bar occupies between approximately 400 to 800 square feet within a Retail Location plus additional shared space with the Retail Operator. A typical Mai Satellite Sushi Bar occupies between approximately 3 to 12 linear feet within a cold food display case and/or merchandising case within a Retail Location.

Market Condition:

The market for sushi, Japanese food and other Products offered by the Franchised Business is highly competitive. There is also significant competition for locating and placing food vending businesses within Retail Locations. Your competition may include other food outlets located within Retail Locations, national, regional or local sushi bars, Japanese restaurants, other restaurants as well as supermarkets, grocery stores or other businesses that offer prepared food products.

Industry Specific Regulations:

In addition to laws and regulations that apply to businesses generally, your Franchised Business will be subject to federal, state and local health and safety inspection authorities which govern the handling of food, temperatures and other health considerations. Federal laws and regulations impose specific requirements on the handling of fresh fish products under the Hazard Analysis Critical Control Points (HACCP) program. You, your Operating Principal and all of your employees must complete a ServSafe training program. Each Mai Sushi Bar is required to have at least one ServSafe certified person on duty at all times. Federal law also requires chain retail food establishments with more than twenty locations to disclose the number of calories of each standard menu item on the menu and menu boards, make additional written nutritional information available to customers on request and provide a statement on menu boards about the availability of additional information. In some states, municipalities

or other political subdivisions, there may be local regulations that regulate foods offered for sale, or that require posting of calorie content or other nutritional information.

ITEM 2. BUSINESS EXPERIENCE

President & CEO: Ashley Taylor

Ashley Taylor has been our President & CEO since March 2021. From September 2017 to March 2021, Ms. Taylor served as Chief Operating Officer for Acosta Sales and Marketing, 6600 Corporate Center Parkway, Jacksonville, Florida 32216.

Chief Financial Officer: Sarah Nelson

Sarah Nelson has been our Chief Financial Officer since June 2023. From October 2020 to May 2023, Ms. Nelson served as Senior Director New Business Development, Sourcing for Walmart Inc. located in Bentonville, Arkansas. From March 2019 to October 2020, Ms. Nelson served as Head of Finance, Sourcing for Walmart Inc. located in Bentonville, Arkansas.

Chief Operating Officer: Don Woods

Don Woods has served as our Chief Operating Officer since July of 2024. From September 2019 to June 2024, Mr. Woods served as the Global Vice President of Culinary at Whole Foods Market located in Austin, Texas.

Vice President of Retail Development: Bill Rosenzweig

Bill Rosenzweig has been our Vice President of Retail Development since March 2022. From February 2020 to March 2022, Mr. Rosenzweig served as our Director of Growth. From September 2014 to February 2020, Mr. Rosenzweig served as Director of Marketing and Creative for our parent, Hana Group US, LLC, located at 6390 Hedgewood Drive, Suite 300, Allentown, Pennsylvania 18106.

Director of Franchise Operations: Reeta Ale Magar

Reeta Ale Magar has been our Director of Franchise Operations since December 2023. From June 2021 to December 2023, Ms. Ale Magar served as our Area Manager (for the Indiana, Illinois, Minnesota, Nebraska and Wisconsin region) since June 2021. From January 2019 to June 2021, Ms. Ale Magar served as Area Supervisor for Hissho Sushi LLC located in Charlotte, North Carolina. ~~From July 2018 to January 2019, Ms. Ale Magar served as a software engineer for UST Global LLC, located in Norwich, Connecticut. From October 2012 to October 2017, Ms. Ale Magar served as a supervisor with our affiliate, Hana Group Ops, LLC (formerly known as Genji, LLC), located in Philadelphia, Pennsylvania.~~

Director of Operations: Emily Bell

Emily Bell has been our Director of Operations since December 2023. From August 2021 to December 2023, Ms. Bell served as our Senior Operations Trainer. From June 2015 to August 2021, Ms. Bell served as an Area Manager for the South Carolina and Washington State regions for our affiliate, Hana

Group Ops, LLC (formerly known as Genji, LLC), located at 6390 Hedgewood Drive, Suite 300, Allentown, Pennsylvania 18106.

Director of Operations: Mikko Chua

Mikko Chua has been our Director of Operations since December 2023. From May 2016 to December 2023, Mr. Chua served as an Area Manager for us and for our affiliate, Hana Group Ops, LLC (formerly known as Genji, LLC), located at 6390 Hedgewood Drive, Suite 300, Allentown, Pennsylvania 18106.

Director of Operations: Javier Vega

Javier Vega has been our Director of Operations since March 2023. From May 2022 to February 2023, Mr. Vega served as Director of Operations for our affiliate, Hana Group Ops, LLC, located at 6390 Hedgewood Drive, Suite 300, Allentown, Pennsylvania 18106. From November 2018 to May 2022, Mr. Vega served as an Area Manager for our affiliate, Hana Group Ops, LLC, based in Jacksonville, Florida. ~~From June 2018 to November 2018, Mr. Vega served as a Sushi Team Leader for our affiliate, Hana Group Ops, LLC, based in Savannah, Georgia.~~

Director of Operations: Tin Lu Win

Tin Lu Win has been our Director of Operations, Franchise Support since April 1, 2024. From October 2023 to March 2024, Mr. Win served as Assistant Controller for Lakewood Country Club in Lakewood, Texas. From August 2022 to May 2023, he served as Deputy Director of Business Development for Frontiir Corporation US in San Jose, California. From May 2015 to April 2022, Mr. Win served as Chief Operating Officer at GBC Food Services, LLC dba Yummi Sushi located in Farmers Branch, Texas.

Franchise Compliance Manager: Peter Lasaw

Peter Lasaw has been our Franchise Compliance Manager since June 2024. From September 2022 to May 2024, Mr. Lasaw served as a Franchise Operations Consultant for Saikou Inc located in Harrisburg, PA. From March 2019 to July 2022 Mr. Lasaw served as Sr. Franchise Training and Development Manager for Fujisan Franchising Corp located in Santa Fe Springs, CA.

Vice President of Operations: Jarrod Pate

Jarrod Pate has been our Vice President of Operations since June 2021. From November 2020 to June 2021, Mr. Pate served as Vice President, Client Development for Acosta Sales & Marketing, located at 4204 S. Pinnacle Hills Pkwy #101, Rogers, Arkansas 72758. From June 2018 to November 2020, Mr. Pate served as Director, Merchandise Activity Planning (Meat & Seafood) at Walmart Stores Inc., 702 Southwest Eighth Street, Bentonville, Arkansas 72716.

Vice President of Franchise Operations: Charles Bailey

Charles Bailey has been our Vice President of Franchise Operations since February 2024. From July 2023 to January 2024, Mr. Bailey served as our Senior Director, Kiosk Operations. From April 2020 to July 2023, Mr. Bailey served as our Director of Operations. From October 2015 to April 2020, Mr.

Bailey served as a Regional Manager for our affiliate, Hana Group Ops, LLC (formerly known as Genji, LLC), located at 6390 Hedgewood Drive, Suite 300, Allentown, Pennsylvania 18106.

~~**Area Manager (Texas and Oklahoma): Wah Wah Dun**~~

~~Wah Wah Dun has been our Area Manager since November 2017. From November 2016 to November 2017, Mr. Dun served as Team member and Team leader for our former parent, Peace Dinning Corporation, located in Philadelphia, Pennsylvania.~~

Area Manager (California): Gabriel Julian

Gabriel Julian has been our Area Manager since September 2022. From July 2016 to September 2022, Mr. Julian served as Sushi Team Leader for our affiliate, Hana Group Ops, LLC, in San Jose, California.

Area Manager (Illinois (Chicago Area)): Dreni Nishevci

Dreni Nishevci has been our Area Manager since April 2023. From September 2018 to April 2023, Mr. Nishevci served as an Area Manager for Marathon Gas, located in Macomb County, Michigan. From January 2015 to August 2018, Mr. Nishevci served as a District Manager for Subway, located in Wayne County, Michigan.

Area Manager (Alabama): Benjamin O'Neal

Benjamin O'Neal has been our Area Manager since May 2023. From March 2021 to May 2023, Mr. O'Neal served as Director of Operations for Dunkin Donuts, located in Birmingham, Alabama. From September 2012 to March 2021, Mr. O'Neal served as a Hospitality Executive Recruiter for Gecko Hospitality, located in Birmingham, Alabama.

Area Manager (Mid-Western States): Kristin Amis

Kristin Amis has been our Area Manager since June 2023. From August 2021 to June 2023, Ms. Amis served as an Area Manager for our affiliate, Hana Group Ops, LLC, based in the mid-western United States region. From February 2020 to August 2021, Ms. Amis served as an Assistant General Manager for Chicken Salad Chick, located in Crestview, Kentucky. From July 2018 to January 2020, Ms. Amis served as an Assistant General Manager for Dewey's Pizza, located in Newport, Kentucky.

Area Manager (Michigan): Anthony Jensen

Anthony Jensen has been our Area Manager since March 2023. From February 2021 to March 2023, Mr. Jensen served as a Multi-Unit Manager for Potbelly Sandwiches, located in Eastern Michigan. From March 2019 to February 2021, Mr. Jensen served as an Executive Sous Chef for Oxford, Incorporated, located in Houston, Texas. From January 2017 to February 2019, Mr. Jensen served as Multi Unit Manager for Smart Financial Center located in Sugar Land, Texas.

Area Manager (South Florida): Nokukhanya Bush

Nokukhanya Bush has been our Area Manager since October 2022. From June 2017 to October 2022, Ms. Bush served as Sushi Team Leader for our affiliate, Hana Group Ops, LLC, based in West Palm Beach, Florida.

Area Manager (~~Minnesota): Bre Dykstra~~Northern California): Marilyn Haase

Marilyn Haase has been our Area Manager since May 2024. From August 2017 to April 2024, Ms. Haase served as a general manager for Lexie's Restaurants, in Newington, NH.

Area Manager (Rocky Mountain) Mike Walker

Mike Walker has been our Area Manager since September 2024. From February 2009 to July 2024, Mike served as Assistant Market Delivery Manager for Lowes located in Denver, CO.

Area Manager: (Florida) Lyndsey Roberts

~~Bre Dykstra~~Lyndsey Roberts has been our Area Manager since ~~July 2023. From March 2022 to March 2023, Ms. Dykstra served as Packaging Engineer for Medtronic located in Mounds View, Minnesota. From March 2021 to March 2022, Ms. Dykstra served as a Food Packaging Technologist for SunOpta located in Eden Prairie, Minnesota. Prior to that role, Ms. Dykstra was enrolled at Iowa State University, where she completed a Bachelor's of Science degree in Biological Systems Engineering from August 2016 to November 2020.~~January 2024. From July 2020 to June 2023, Ms. Roberts served as the General Manager for Ichiban Sushi, located in Gainesville, Florida. From October 2014 to June 2020, Ms. Roberts served as a Manager for Harry's Seafood Bar and Grille, located in Gainesville, Florida.

Area Manager: (Northern California) Fernando Gutierrez

Fernando Gutierrez has been our Area Manager since December 2023. From September 2017 to December 2023, Mr. Gutierrez served as a Sushi Team Leader for our affiliate, Hana Group Ops, LLC, located in Roseville, CA.

Area Manager~~ (West Florida): David Ginsburg~~: (Utah, Colorado, and Nevada) Kevin Smith

~~David Ginsberg~~Kevin Smith has been our Area Manager since ~~July~~May 2023. From ~~October 2016 to July 2023, Mr. Ginsberg was an Area Manager for Dairy Queen restaurants, based in the Tampa, Florida region.~~April 2021 to April 2023, Mr. Smith served as District Manager for Cupbop Korean BBQ Restaurants, located in Salt Lake City, Utah. From July 2002 to September 2018, Mr. Smith served as Store Director for Walmart located in Taylorsville, Utah.

Area Manager: (Maryland, Virginia, and Pennsylvania) Andi Tjandra

Andi Tjandra has been our Area Manager (and the Area Manager for our affiliate, Hana Group Ops, LLC, our parent, Hana Group US, LLC, and their respective predecessors) since June 2004.

Area Manager~~ (Rocky Mountain Area): Josh Lindley~~: (Pennsylvania and Ohio) Victor Tenden

Victor Tenden has been our Area Manager since May 2021. From June 2019 to April 2020, Mr. Tenden served as Regional Operation Manager for our affiliate, Hana Group Ops, LLC, located in Allentown, PA.

Area Manager: (Massachusetts and Rhode Island) Tan Lee

Tan Lee has been our Area Manager (and the Area Manager for our affiliate, Hana Group Ops, LLC, our parent, Hana Group US, LLC, and their respective predecessors) since August 2003.

Area Manager: (Massachusetts and Maine) Paul Gaudrault

~~Josh Lindley~~Paul Gaudrault has been our Area Manager since ~~October 2022. From May~~November 2023. From November 2022 to November 2023, Mr. Gaudrault served as Corporate Trainer for Lexie's Restaurant, located in Exeter, NH. From August 2020 to October 2022, Mr. ~~Lindley~~Gaudrault served as ~~Prepared Foods~~Sushi Team Leader for ~~Whole Foods Market~~our affiliate, Hana Group Ops, LLC, located in ~~Savannah, Georgia~~Charleston, SC. From ~~August 2017 to~~ May 2018 to June 2020, Mr. ~~Lindley~~Gaudrault served as ~~Resort~~ Sous Chef for ~~Westin Savannah Harbor Golf Resort & Spa~~Stella's Restaurant, located in ~~Savannah, Georgia~~Charleston, SC.

Area Manager: (New Jersey and New York) Andres Castano

Andres Castano has been our Area Manager (and the Area Manager for our affiliate, Hana Group Ops, LLC, our parent, Hana Group US, LLC, and their respective predecessors) since August 2017.

Area Manager: (Pennsylvania and New Jersey) Holly Fitzsimmons

Holly Fitzsimmons has been our Area Manager since March 2023. From January 2022 to March 2023, Ms. Fitzsimmons served as a sushi chef for our affiliate, Hana Group Ops, LLC, located in Plymouth Meeting, PA. From May 2017 to January 2022, Ms. Fitzsimmons served as chef and co-owner of Wild Radish, located in Philadelphia, PA.

Area Manager: (North Carolina and South Carolina) Kandice Reddick

Kandice Reddick has been our Area Manager since May 2024. From August 2022 to March 2024, Ms. Reddick served as General Manager for Early Girl Eatery, located in Asheville, NC. From July 2013 to August 2022, Ms. Reddick served as Division Manager for Waffle House, located in Charlotte, NC.

Area Manager: (Minnesota and North Dakota) Brian Walsh

Brian Walsh has been our Area Manager since June 2024. From April 2016 to July 2021, Mr. served as Executive Team Leader for Target, located in Apple Valley, MN.

Area Manager: (Virginia) Jinwoo Sohn

Jinwoo Sohn has been our Area Manager (and the Area Manager for our affiliate, Hana Group Ops, LLC, our parent, Hana Group US, LLC, and their respective predecessors) since March 2016.

Area Manager: (~~Northern~~ California)~~: Peter Nguyen~~ James Lorenzo

~~Peter~~James Lorenzo has been our Area Manager since ~~May 2023~~June 2024. From February 2021 to June ~~2020 to May 2023~~2024, Mr. ~~Nguyen~~Lorenzo served as ~~Store~~Sushi Team Leader for our affiliate, Hana Group Ops, LLC, ~~based in Walnut Creek, California. From November 2019 to June~~in Sacramento, CA. From July 2020 to February 2021, Mr. ~~Nguyen~~Lorenzo served as ~~Store~~Sushi Team ~~Member~~Leader for our affiliate, Hana Group Ops, LLC, ~~based in San Rafael, California~~located in Oakland, CA. From February 2018 to April 2020, Mr. Lorenzo served as Culinary Specialist for our affiliate, Hana Group Ops, LLC, located in San Francisco, CA.

Area Manager ~~(Northern California): Marilyn Haase~~: (Massachusetts) Urmila Sharma

Urmila Sharma has been our Area Manager (and the Area Manager for our affiliate, Hana Group Ops, LLC, our parent, Hana Group US, LLC, and their respective predecessors) since July 2014.

Area Manager: (Texas and Oklahoma) Sut Nau Ndayu

~~Marilyn Haase~~Sut Nau Ndayu has been our Area Manager since ~~May~~March 2024. From ~~August 2017 to April 2024, Ms. Haase served as a general manager for Lexie's Restaurants, in Newington, NH.~~September 2022 to March 2024, Mr. Ndayu served as Manager for Steel Sushi Restaurant, located in Dallas, TX. From August 2008 to October 2021, Mr. Ndayu served as Franchise Partner for AFC, located in Frisco, TX.

ITEM 3. LITIGATION

There is no litigation that must be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Initial Franchise Fee:

You must pay to us an initial franchise fee ("Initial Franchise Fee") in a lump sum payment upon signing the Franchise Agreement. The Franchise Agreement will either have a term of three (3) years or five (5) years. If the term of your Franchise Agreement is three (3) years, the Initial Franchise Fee is $3,500. If the term of your Franchise Agreement is five (5) years, the Initial Franchise Fee is $4,500.

The Initial Franchise Fee is nonrefundable and will be deemed fully earned upon signing the Franchise Agreement.

There is no Initial Franchise Fee for a Mai Satellite Sushi Bar.

Opening Inventory and Smallwares:

Before your Franchised Business opens, you will be required to purchase from us or an affiliate an opening inventory of food items, smallwares, uniforms, supplies and equipment in an amount ranging between $7,500 and $34,800 for a Mai Sushi Bar (the high estimate includes the highest cost of a sushi

robot ($14,800), if you elect to purchase such equipment from us) and between $4,150 and $20,000 for a Mai Satellite Sushi Bar (the low estimate includes the cost of a cooler and the high estimate includes the cost of a refrigerated display case, in each case purchased from us). You may pay the cost of the opening inventory in a lump sum payment or you may pay it in three equal monthly installments. We charge an 8% interest rate if you pay the opening inventory in installments. The interest charged will not exceed the maximum interest rate allowed by law. The cost for the opening inventory will be deemed fully earned upon signing the Franchise Agreement and is nonrefundable, even if you pay it in installments.

Training:

Before your Franchised Business opens, you or if you are an entity, your Operating Principal (defined as the managing shareholder, member or partner of Franchisee if Franchisee is an entity), must complete our initial training program (the "Initial Training Program"). You may have your managers, employees or other owners complete the Initial Training Program as well. We charge an initial training fee of (i) $2,000 for you or your Operating Principal to receive the Initial Training Program at the location of your Franchised Business or an alternate location that we agree to, and (ii) $1,500 per person for additional employees to receive our Initial Training Program ("Initial Training Fee") (the typical range of fees for additional employees who receive our Initial Training Program is $0-$1,500, as most franchisees have either or one or two people attend the Initial Training Program), plus reimbursement for our costs and expenses, including all travel, room and board and living expenses that we incur for our training personnel to provide the Initial Training Program and the rental of kitchen facilities (if we agree to provide the Initial Training Program at a location other than the location of your Franchised Business) (the typical range of our costs and expenses reimbursable by you is $0-$4,500, with the low estimate being reflective of an Initial Training Program at a Franchised Business that is local to our facilities and for which we incur no travel or other costs and expenses to provide such training, and the high estimate being reflective of our costs and expenses (including travel, room and board, living expenses and the rental of kitchen facilities) for our personnel to provide the Initial Training Program at a location other than the location of your Franchised Business that our personnel are required to travel to). The Initial Training Fee will be deemed fully earned upon signing the Franchise Agreement. The Initial Training Fee is nonrefundable.

In addition to the above fees and expenses, you are responsible for applying for, obtaining and maintaining all required permits and licenses necessary to operate your Franchised Business, except that we may, at our sole election, elect to obtain and maintain the required permits and licenses for the Franchised Business in your name. If we elect to obtain and maintain the permits and licenses required for your Franchised Business, you shall reimburse us for the costs and fees incurred by us in applying for such licenses and/or permits (and any renewals of these licenses and/or permits), and these amounts shall be deductible from any Franchise Commissions payable to you by us. We estimate the range of these costs and fees, whether directly payable by you or reimbursable to us, at $350-$1,500, based on such expenditures for licenses and permits to open a sushi bar in the Philadelphia, Pennsylvania area. In addition, prior to commencing the Initial Training Program, we may require you to pass a credit and criminal background check, and you shall either pay directly, or reimburse us for, the third-party fees incurred to perform such credit and criminal background check, which we estimate to be in the range of $120-$200, based on our third-party agent's fees for performing such services.

If you completed the Initial Training Program in connection with the opening of your Mai Sushi Bar, you are not required to incur the Initial Training Fee (or any other additional training fees payable to us) again prior to opening your Mai Satellite Sushi Bar.

ITEM 6. OTHER FEES

Name of Fee[1]	Amount	Due Date	Remarks
Royalty[2]	Effectively ~~40~~45% of Gross Sales (inclusive of Royalty fees paid to us and Retail Commissions paid to the Retail Operator).	Monthly	A total of ~~40~~45% of your Gross Sales will be deducted by the Retail Operator for its Retail Commission (defined in Note 2) and by us for the Royalty. Gross Sales is defined in Note 2 below.
Brand Fund Contribution[3]	Up to 1% of Gross Sales.	Monthly	We currently do not require franchisees to contribute to a Brand Fund. If created, Brand Fund Contributions will be deducted from your Franchise Commissions (defined in Note 2).
Local Advertising Marketing and Promotional Expenditures[4]	1% of Gross Sales.	Monthly – as incurred by you	We currently do not require franchisees to incur expenses for Local Advertising, Marketing and Promotional expenditures but we may do so in the future. Advertising, Marketing and Promotional expenditures are paid to third parties.
Interest	8% per year or highest rate allowed by law.	As Incurred	Interest is paid to us from the date of nonpayment or underpayment. May be deducted from your Franchise Commissions.
Late Fee	$25 per day.	As Incurred	The late fee is paid to us. May be deducted from your Franchise Commissions.
Transfer Fee[5] (a) All transfers except as provided in (b) below. (b) Transferee is an	$1,500. No charge.	~~A portion of the~~The transfer fee is paid in full	The transfer fee is paid to us. May be deducted from your Franchise Commissions.

entity controlled and owned by current Franchisee or a transfer of a minority interest of your ownership interest in the Franchisee.		upon application to transfer ~~and the balance is paid upon closing~~	
Testing or Supplier Approval Fee[6]	$500 per product item, plus costs and expenses of inspection, evaluation and/or testing, travel expenses and professional analysis.	As Incurred	Testing or Supplier Approval fees and costs are paid to us. May be deducted from your Franchise Commissions.
Accounting Fee[7]	Costs and expenses.	As incurred	The Accounting Fee is paid to us. May be deducted from your Franchise Commissions.
Additional training[8]	$1,500 for additional people to complete our Initial Training Program; $500 per day plus costs and expenses for additional training.	As Incurred	The fees for additional training are paid to us. Additional training fees may be deducted from your Franchise Commissions.
Legal fees and expenses	All costs and expenses, including but not limited to attorneys' fees for any failure to pay amounts when due or failure to comply in any way with the Franchise Agreement.	As Incurred	Legal fees and expenses are paid to us. May be deducted from your Franchise Commissions.
Successor Agreement Fee[9]	$2,500 or $3,500.	Upon signing a successor agreement	The Successor Agreement Fee is paid to us. May be deducted from your Franchise Commissions.
Indemnification[10]	The amount of any claim,	As Incurred	Costs for Indemnification are paid to us. May be deducted

	liability or loss we incur from your Franchised Business.		from your Franchise Commissions.
Reimbursement of Costs and Expenses[11]	Costs and expenses.	As Incurred	Reimbursement of costs and expenses are paid to us. May be deducted from your Franchise Commissions.
Confidential Operating Manual Replacement Fee[12]	Our then-current fee, which is currently $250.	As Incurred	The Confidential Operating Manual Replacement Fee is paid to us.
Post-Termination or Post-Expiration Expenses[13]	Costs and expenses.	As Incurred	Reimbursement of our post-termination or post-expiration expenses is paid to us.
ServSafe Training[14]	$100 to $300 per person; $50 per person re-testing fee.	As Incurred	The ServSafe training fee is paid to ServSafe or us.
Management Fee[15]	5% of Gross Sales for the period in which we operate the Franchised Business plus expenses.	As agreed	The management fee is payable to us during the period that our appointed manager manages the Franchised Business. May be deducted from your Franchise Commissions.
Test Marketing[16]	Your actual costs and expenses, which are estimated to be $1,000.	As Incurred	Costs for test marketing are paid to us or third parties.
Liquidated Damages[17]	~~Actual~~Product of (i) a fraction the numerator of which is actual number of months remaining in the term of the Franchise Agreement ~~times the monthly average amount of Royalties, Brand Fund Contributions (if~~	Within 10 days of termination of your Franchise Agreement	Liquidated damages are payable if you terminate your Franchise Agreement without our consent or if we terminate it for cause.

	~~any) and other fees owed by you during the 12 months prior to termination (or the entire term if less than 12 months) based on your actual Gross Sales, reduced by a present value discount of 8%~~, and the denominator of which is the total number of months included in the term of the Franchise Agreement times (ii) the Initial Franchise Fee.		
Food Safety Audit Fees[18]	$185-$205 per quarterly audit, plus training fee up to $500 per day (plus costs and expenses to provide additional food safety training) and additional $210-$232 re-audit fee if audit is noncompliant; if re-audit is noncompliant, an additional training fee up to $500 per day (plus costs and expenses to provide additional food	As Incurred/As Required (with respect to the additional training fee	The cost of each audit (and re-audit) and the additional training fees (if applicable) is paid to us. May be deducted from your Franchise Commissions.

	safety training) and an additional $210-$232 fee for a second re-audit will be charged		
Credit and Criminal Background Check Fee	$120 - $200	As incurred, prior to the Initial Training Program	Payable to us (as reimbursement) or our third-party agent performing such services
Data Fee[19]	$40 - $190	Per month, based on whether label machine, scale and printer is purchased by you or provided to you.	Payable to us
Non-compliance fee	$500 per instance	On demand	Payable to us upon your failure to (i) purchase items from our approved Suppliers or otherwise sell, or offer to sell, approved Products; (ii) participate in required advertising, marketing, promotional and/or public relations activities; (iii) operate the Franchised Business during the required hours of operation; (iv) maintain accurate food safety logs; or (v) maintain insurance for the Franchised Business in accordance with the franchise agreement.

Notes

(1) The table above provides recurring or isolated fees or payments that you must pay to us or our affiliates or that we or our affiliates impose or collect in whole or in part on behalf of a third party or that you are required to spend by the Franchise Agreement. All fees and expenses described in this Item 6 are nonrefundable. Except as otherwise indicated in the chart above, we uniformly impose all fees and expenses listed and they are payable to us and are fully earned upon receipt by us.

(2) You do not receive payments from customers for the sales of Products from your Franchised Business. Payments for Products will be made by customers directly to the Retail Operator

where the Mai Sushi Bar or Mai Satellite Sushi Bar is located through the cash register system of the Retail Operator.

A total of ~~forty~~forty-five percent (~~40~~45%) of your Gross Sales will be retained and shared by the Retail Operator and us, based upon the Retail Commission set by the Vendor Agreement. According to the Vendor Agreement with the Retail Operator, on a monthly basis, the Retail Operator will calculate your Gross Sales for the prior month and the Retail Operator will retain a percentage of your Gross Sales for the prior month as its "Retail Commission." The Retail Commission rate varies by Retail Operator and Retail Location but it typically ranges between twenty percent (20%) and ~~twenty-eight~~thirty percent (~~28~~30%) of Gross Sales and will be deducted from your Gross Sales for the prior month. The Retail Commission rate shall not exceed ~~twenty-eight~~thirty percent (~~28~~30%).

After the Retail Operator retains its Retail Commission, it will remit the balance of the Gross Sales to us by a date provided for in the Vendor Agreement. We will then deduct our Royalty from that amount. The Royalty rate is a percentage equal to ~~forty~~forty-five percent (~~40~~45%) less the Retail Commission rate. For example, if the Retail Commission rate is ~~twenty-five~~thirty percent (~~25~~30%), then the Royalty rate is fifteen percent (15%). The Royalty amount that we will deduct from your Gross Sales will be an amount equal to the Royalty rate times your Gross Sales for the prior month. Prior to signing a Franchise Agreement, we will provide you with the specific Retail Commission rate and the Royalty rate for the Mai Sushi Bar you are considering purchasing.

The amount remaining from Gross Sales after deduction of the Retail Commission and the Royalty, which is equal to ~~sixty~~fifty-five percent (~~60~~55%) of your Gross Sales, is referred to as "Franchise Commissions." We will deduct from the Franchise Commissions other charges due to us or an affiliate before remitting the balance to you. Typically, we remit the balance of the Franchise Commissions to you within two (2) weeks of our receipt from the Retail Operator of your Gross Sales for the prior month. Our obligation to remit Franchise Commissions to you is subject to our receipt of payment from the Retail Operator. If after deducting the Royalty and all other charges due to us or an affiliate, there is a balance due to us or an affiliate, the balance will be deducted from your next months' Franchise Commissions until the balance has been paid in full. You will not be entitled to any portion of the Gross Sales or Franchise Commissions until after all deductions have been made and all charges due to us or an affiliate have been paid in full.

While the Retail Commission rate typically is within the range disclosed above, the Retail Commission Rate is set by the agreement of the Retail Operator and us under the terms of the Vendor Agreement. You are not a party to the Vendor Agreement and will therefore have no say in the establishment of the Retail Commission rate applicable to your Mai Sushi Bar. The Retail Commission rate and the Royalty rate may differ for each Mai Sushi Bar and/or Mai Satellite Sushi Bar you operate depending on the terms and conditions of each Vendor Agreement, except that the total of the Retail Commission rate and the Royalty rate will be ~~forty~~forty-five percent (~~40~~45%) of your Gross Sales.

The term "Gross Sales" is defined to mean all revenue from the sale of all services and products related to the Franchised Business, in whatever form and from whatever source, whether for cash, credit, in kind from barter and/or exchange, and regardless of collection in the case of credit all without deduction for expenses including marketing expenses and taxes. However, the definition of Gross Sales

does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities.

(3) Currently, there is no separate fund ("Brand Fund") for advertising, marketing, promotional or public relations programs and for using Social Media Platforms (defined to mean web based platforms such as Facebook, Myspace, Twitter, LinkedIn, blogs and other networking and sharing sites) in place. We may establish a Brand Fund and require you to contribute up to one percent (1%) of your Gross Sales to the Brand Fund ("Brand Fund Contribution"). If a Brand Fund is created, Brand Fund Contributions will be paid directly to the Brand Fund and not to us. Brand Fund Contributions are not income to us. We may deduct the Brand Fund Contributions from your Franchise Commissions. We will have the right to expend the funds accumulated in the Brand Fund in our sole discretion.

(4) Currently, we do not require you to spend any money on local advertising, marketing and promotional programs ("Local Advertising"). We may require you to spend one percent (1%) of your Gross Sales for the prior month on Local Advertising. Your expenditure for the first month will be an estimate. Any discrepancy between the amount paid for the first month and the amount equal to one percent (1%) of Gross Sales for the first month will be credited against or added to the amount to be spent for the second month. There are currently no advertising cooperatives in our System. Any financial contributions made by you to an advertising cooperative, if created, may be credited against your required expenditures for Local Advertising.

(5) If you wish to transfer your Franchised Business, you will be required to pay us a transfer fee, which shall be nonrefundable and payable whether or not the transfer actually occurs. The fee to transfer a Franchised Business is $1,500 ~~to~~, which shall be paid ~~as follows: $1,000 is paid~~in full upon application to transfer the Franchised Business ~~and the balance of $500 is paid upon closing~~.

(6) We will impose a fee to evaluate and/or test a proposed product and/or Proposed Supplier (defined in Item 8), plus an amount necessary to reimburse us for our actual costs to evaluate and test the proposed product and/or Proposed Supplier. You or the Proposed Supplier must pay to us a charge of $500 per product item plus our actual costs for evaluation. We estimate that our cost to test a product item is approximately $3,000 per product item. Our actual costs include costs of travel to a production facility within the United States, which we estimate to be approximately $3,000. If the Proposed Supplier has facilities or imports food from outside the United States, the cost of international travel will be greater.

You must permit us or our representatives to remove, at any time, samples of food or non-food items from your inventory, or from your Mai Sushi Bar and/or Mai Satellite Sushi Bars, without payment, in amounts reasonably necessary for testing by us, to determine whether the samples meet our then-current standards and specifications. You must bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform to our specifications. The fee for such testing will be $500 per product item plus our actual costs for evaluation. We estimate that our cost to test a product item is approximately $3,000 per product item.

(7) We have the right to conduct an audit of the books and records of the Franchised Business. If we do so, with an independent auditor or otherwise and it is determined that you understated your Gross Sales in any report by two percent (2%) or less, then you must pay within fifteen (15) days of written notice, the Royalty due on the underreported amount plus interest. If it is determined that you

understated your Gross Sales in any report by more than two percent (2%), then you must pay within fifteen (15) days of written notice, the Royalty due on the underreported amount, along with the cost of conducting the audit, including without limitation travel, lodging, meals, wages, expenses, accountant fees, attorneys' fees and interest. If you fail to provide any reports, supporting reports or other information as required and we conduct an audit of the books and records of the Franchised Business, you must pay within fifteen (15) days of written notice, the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses, accountant fees, attorneys' fees and interest. In the alternative, we may deduct the above costs from your Franchise Commissions.

(8) You, or if you are an entity, your Operating Principal must complete the Initial Training Program. If you would like us to provide the Initial Training program to your managers or employees or if you are an entity, to owners other than your Operating Principal, we will charge you an Initial Training Fee of $1,500 per person.

Additionally, we may offer to you or your Operating Principal the right or require you to complete additional training, which may be provided on-site or at another location we agree to. If we provide additional training to you or your Operating Principal, we will charge an additional training fee of $500 per day plus our costs and expenses (including travel, room and board and living expenses for our personnel providing such training).

You are responsible, at your own expense, to pay for all travel, room and board and wages for you and your employees during any training.

(9) A one-time successor franchise agreement is available to qualified franchisees under certain circumstances and in accordance with the conditions contained in the Franchise Agreement. If the term of the successor franchise agreement is three (3) years, the successor franchise fee is $2,500. If the term of the successor franchise agreement is five (5) years, the successor franchise fee is $3,500.

(10) In addition to the requirement that you reimburse us for amounts of all other claims, liabilities or losses we incur from your Franchised Business, if we elect to enforce the terms of any Confidentiality, Non-Use and Non-Competition Agreement against any individual required to execute such agreement, you must reimburse us for our attorneys' fees, expert fees, court costs and all other expenses of litigation in connection with that enforcement.

(11) If after notice, you fail to cure any deficiency in the Franchised Business and/or your operation of the Franchised Business, we may in our sole discretion, correct the deficiency. If we elect to correct the deficiency, you will reimburse us for our costs and expenses incurred in correcting the deficiency.

(12) If your copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, you will be required to obtain a replacement copy and pay us our then-current fee for a replacement copy.

(13) Upon expiration or termination of your Franchise Agreement, we may elect in our sole discretion to take steps to modify, alter or de-identify the Franchised Business. If we do so, we may

require you to reimburse us for our out-of-pocket costs and expenses, but only to the extent incurred as a result of the termination of your Franchise Agreement due to your default.

(14) You, your Operating Principal and all of your employees must complete a ServSafe training program. Each Mai Sushi Bar is required to have at least one ServSafe certified person on duty at all times. Currently, the ServSafe training program is provided by third-parties but we may provide it in the future. The cost for the ServSafe training program is approximately $100 to $300 per person. Typically, there is also a $50 per person re-testing fee if a trainee fails to pass the ServSafe test. The ServSafe training program is approximately two (2) days. The ServSafe training may be available in your city or state.

(15) We may, at our option, manage the Franchised Business to avoid interruption of business operations in the event that you or your Operating Principal dies or becomes disabled. We may, at our option, also manage the Franchise Business if you operate the Franchised Business in a manner that presents a danger to the health or safety of any person.

(16) We may require you to participate in the test marketing of Products. The typical costs you are likely to incur for the test marketing of product relate to the purchase of additional ingredients, smallwares and kitchen equipment.

(17) If at any time, you terminate your Franchise Agreement without our written consent or your Franchise Agreement is terminated by us for cause, then you agree to pay us within ten (10) days of termination an amount equal to the product of (i) a fraction, the numerator of which is actual number of months remaining in the term of ~~your~~the Franchise Agreement~~ times the monthly average amount of the Royalties, Brand Fund Contributions and other fees owed by you to us for the twelve (12) month period prior to termination (or the entire term prior to termination if less than twelve (12) months) based on your actual Gross Sales, and reduced by a discount of eight percent (8%) to produce the present value of our lost profits as a result of the termination~~, and the denominator of which is the total number of months included in the term of the Franchise Agreement, times (ii) the Initial Franchise Fee. This liquidated damages payment is in addition to any monies due to us for past due payments or other actual or consequential damages.

(18) We have the right to cause our third-party agent to conduct a quarterly food safety audit of the Franchised Business, at any time and without prior notice to you. You shall bear the full cost of each food safety audit conducted at the Franchised Business, which shall equal $185-$205, per occurrence. In the event we determine your Franchised Business fails a food safety audit (based on the current form of food safety audit utilized by us, a failing score is 6 or more points assessed for violations of the Franchised Business in the food safety audit result (which means the Franchised Business has one or more critical violations (6 points) or multiple major (3 points) and/or minor (1 point) violations)), we shall, in addition to the cost of the food safety audit, require you to complete additional training at our current fee of up to $500 per day via in-person, video or phone training (plus costs for all travel, room and board and living expenses incurred by our personnel who provide the training to you, if applicable), and your Franchised Business shall be subject to an additional, subsequent food safety audit, which shall take place in the calendar month following the failed quarterly food safety audit, at your cost of $210-$232. In the event the Franchised Business receives a failing score on such re-audit, you shall be in default of your Franchise Agreement and, in addition to any other of our other remedies under the Franchise Agreement, we shall require you to complete additional training at our current fee of up to

$500 per day consisting of a full food safety training via video or in-person (plus costs for all travel, room and board and living expenses incurred by our personnel who provide such training, if applicable), and your Franchised Business shall be subject to an additional, subsequent food safety audit to take place within 30-60 days of the first re-audit, at your cost of $210-$232. Subject to any re-audits as described above, we anticipate that no more than four food safety audits will be conducted of your Franchised Business in any calendar year.

(19) The monthly data fee will vary based on whether you will be required to purchase a label machine, scale and printer or if one will be provided to you. Whether or not we will require you to purchase a label machine, scale and printer will be dependent upon the requirements of the Retail Operator in which your Franchised Business is located. If you are required to purchase a label machine, scale and printer, your data fee will be approximately $40, and if a label machine, scale and printer is provided to you, your data fee will be approximately $190.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure[1]	Estimated Amount Low – High	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee[2]	$3,500 - $4,500	Lump sum	At signing of Franchise Agreement	The Initial Franchise Fee is paid to us
Computer, Office Supplies, Equipment and Fixtures[3]	$6,100 - $39,800	As incurred	Before opening	Third-party providers or us
Advertising, Marketing and Promotional Materials and Signage[4]	$500 - $1,500	As incurred	Before opening	Third-party providers
Opening Inventory and Smallwares[5]	$7,500 - $20,000	As incurred	Before opening	Us or an affiliate
Initial Training Fees[6]	$2,000 - $8,000	As incurred	Before opening	The Initial Training Fee is paid to us
ServSafe Training[7]	$100 - $1,500	As incurred	Before opening	Third-party providers
Pre-opening Travel Expense[8]	$0 – $2,500	As incurred	Before opening	Third-party providers
Insurance Deposits and Premiums[9]	$500 - $2,000	As arranged	Before opening	Insurance company
Pre-opening Labor[10]	$1,000 - $3,500	As incurred	Before opening	Employees
Professional Fees[11]	$2,500 - $3,000	As arranged	Before opening	Attorneys, accountants

Business Permits and Licenses[12]	$350 - $2,000	As incurred	Before opening	Licensing Authorities/ Franchisor, if we assist in obtaining these for you
Credit and Criminal Background Check	$120 - $200	As incurred	Before opening	Us (as reimbursement) or our third-party agent performing such services
Additional funds – 3 Months[13]	$18,000 – $45,000	As incurred	After opening	Various
Total [14]	**$42,170 – $133,500**			

Notes

(1) All fees and expenses described in this Item 7 that are payable to us or our affiliate are nonrefundable and are fully earned upon receipt by us or such affiliate, as applicable.

(2) The initial franchise fee is the same for all similarly situated franchisees. There is no Initial Franchise Fee for Mai Satellite Sushi Bars.

We do not finance any part of the initial franchise fee, however, we do offer financing for the full cost for your purchase of the required Opening Inventory and Smallwares (which ranges between $7,500 and $20,000). You may pay for Opening Inventory and Smallwares in a lump sum or in three equal monthly installments. We charge an 8% interest rate if you pay the opening inventory in installments. See Item 10 for more information.

(3) These figures represent the costs for a computer system, office supplies, equipment and fixtures necessary to produce the entire menu of Products. This includes smallwares not purchased from us or an affiliate, and small kitchen equipment, such as a rice maker and a rice cooker. Additionally, some Retail Operators provide a food display case, but others do not. The higher estimate includes the cost for a display case while the lower estimate does not. The higher estimate includes the highest cost sushi robot, which we may offer to you to assist in the production of the Products, and if offered, you will have the option to accept and acquire this equipment from us via a lease-to-own arrangement, while the lower estimate does not (the sushi robots we may offer to you are a sushi rolling machine (approximate cost: $14,800), an automatic roll cutter (approximate cost: $4,500), and a sushi sheet making machine (approximate cost: $9,700)). The higher estimate reflects the highest estimated cost of a label machine, scale and printer (label machine, scale and printer cost ranges between $1,000-$2,000), which we may require you to purchase, while the lower estimate reflects when a label machine, scale and printer will be provided to you by us, in each case based on the particular requirements of our Retail Operators. The lower estimate is indicative of a selection of standardized and value-priced equipment. The higher is for a selection of standard equipment of a more prestigious brand as well as custom manufactured equipment. The costs listed here do not include any transportation or set up costs. If you elect to lease a sushi robot from us, there is no required down payment and total estimated payments under a 12-month lease term equal the cost of the particular sushi robot you elect to lease. Upon satisfactory payment in full of all lease payments under the sushi robot lease, you shall have the right under the lease to acquire the sushi robot equipment for $1. With respect to all other equipment, third-party financing may be available for qualified candidates, however, with such financing comes associated costs and fees which will cause the cost to exceed what is indicated in this chart. You are not required to purchase or lease a point of sale system because purchases of Products will be made at cash registers provided by the Retail Operator.

(4) This estimate is for the cost to purchase signs, banners, cards and other marketing materials for your Mai Sushi Bar.

(5) This estimate is for the cost of the initial inventory of food items, smallwares, uniforms and supplies that you are required to purchase from us or our affiliate, ~~GHG Logistics~~Hana Group Ops, LLC. This estimate includes approximately one (1) months' worth of food items. The

amount of food you will need to purchase will vary depending on the volume of sales that your Mai Sushi Bar generates. One uniform will be given free of charge to each person who attends the Initial Training Program. You will be required to purchase one (1) uniform for each employee who has not completed the Initial Training Program. The cost of one (1) uniform typically ranges between $100 and $200. This estimate includes the cost for three (3) to four (4) uniforms.

(6) You or if you are an entity, your Operating Principal, is required to complete our Initial Training Program. The low estimate includes the cost for one person to complete the Initial Training Program at the location of your Franchised Business or an alternate location, which is reflective of an Initial Training Program at a Franchised Business that is local to our facilities and for which we incur no travel or other costs and expenses to provide such training. The high estimate includes the cost for two people to complete the Initial Training Program, plus the reimbursement of our costs and expenses (including travel, room and board, living expenses and the rental of kitchen facilities (if we agree to provide the Initial Training Program at a location other than the location of your Franchised Business) for our personnel to provide such training) in the amount of $4,500, which is reflective of an Initial Training Program at alternate kitchen facilities that must be rented by us and that requires air travel by our personnel and lodging. If you would like additional people to receive the Initial Training Program, we will charge an Initial Training Fee of $1,500 for each additional person.

(7) The low estimate is the cost for one person to attend a ServSafe training program. The high estimate is for the cost of five (5) people to attend a ServSafe training program. The cost of a ServSafe training program typically ranges from $100 to $300 per person. Typically, there is a $50 per person re-testing fee if a trainee fails to pass the ServSafe test. You, your Operating Principal and all of your employees must complete the ServSafe training program. Each Mai Sushi Bar is required to have at least one ServSafe certified person on duty at all times. Currently, the ServSafe training program is provided by third parties. We may provide the ServSafe training program in the future.

(8) The low estimate is for you or your Operating Principal to receive the Initial Training Program at the location of your Franchised Business (not including the reimbursement of costs and expenses of Franchisor to provide its personnel for training, which is taken into account at Note 6 above). The high estimate is for the cost for you or your Operating Principal to attend the Initial Training Program if we agree to provide the Initial Training Program at an alternate kitchen facility that requires travel and lodging for you or your Operating Principal. The duration of the Initial Training Program is approximately five (5) to twelve (12) days. This estimate does not include the cost to attend a ServSafe training program, which may be available in your City or State. The ServSafe training program is approximately two (2) days.

You will be responsible for all costs associated with attending the Initial Training Program and the ServSafe training program, if necessary, for you and your staff. Your costs will depend on the number of people attending the Initial Training Program and the ServSafe training program, their point of origin, method of travel, class of accommodation and living expenses (food, transportation, etc.).

(9) This estimate is for the cost of deposit in order to obtain the minimum required insurance. You should check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your Franchised Business will be located, your experience with the insurance carrier, the loss experience of the carrier

and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may want to carry.

(10) This estimate is for the cost of wages for your employees for the period preceding and during the opening of your Mai Sushi Bar. The low and high cost estimate range has been determined by a calculation of training one (1) to five (5) persons over a five (5) to twelve (12) day period.

(11) These fees are representative of the costs for engagement of professionals such as attorneys and accountants for the initial review and advisories consistent with the start-up of a Franchised Business. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. It is also advisable to consult these professionals to review contracts that you will enter into as part of starting your Franchised Business. The estimated rates in this chart are based upon professional fees in the area of Philadelphia, Pennsylvania.

(12) You are responsible for applying for, obtaining and maintaining all required permits and licenses necessary to operate your Franchised Business, except that we may, at our sole election, elect to obtain and maintain the required permits and licenses for the Franchised Business in your name. If we elect to obtain and maintain the permits and licenses required for your Franchised Business, you shall reimburse us for the costs and fees incurred by us in applying for such licenses and/or permits (and any renewals of these licenses and/or permits), and these amounts shall be deductible from any Franchise Commissions payable to you by us. The figures represented here reflect the range of expenditures for licenses and permits to open a sushi bar in the Philadelphia, Pennsylvania area.

(13) This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three (3) months after commencing operations. This estimate includes such items as initial payroll taxes (including payroll to cover the pre-opening training period for some of your staff), professional fees, including accounting fees, Local Advertising (if any), health insurance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable) and other miscellaneous items. The expenses you incur during the initial start-up period will depend on factors such as the time of the year that you open, both local economic and market conditions, as well as whether your Franchised Business is located in a new or mature market and your business experience. This estimate is based upon the historical experience of our affiliate in developing sushi bars and information we have obtained relating to the operation of sushi bars similar in size to your Franchised Business (i.e., between 400 and 800 square feet).

(14) This total amount is based upon the historical experience of our affiliate in developing sushi bars and information we have obtained relating to the operation of sushi bars with between 400 and 800 square feet. These costs represent an estimate for the development and initial operation of a new Mai Sushi Bar. These costs do not represent an estimate for the purchase of an existing Mai Sushi Bar that we or an affiliate currently operate. Your costs may vary based on a number of factors including but not limited to the geographic area in which you open, local market conditions, the Retail Location, the time it takes to build sales at the establishment and your skills at operating a

business. This figure does not include the cost to develop Mai Satellite Sushi Bars, which is indicated below.

The following is the estimated initial investment for a Mai Satellite Sushi Bar

YOUR ESTIMATED INITIAL INVESTMENT				
Type of Expenditure	Estimated Amount Low – High	Method of Payment	When Due	To Whom Payment is Made
Supplies, Equipment and Fixtures[1]	$150 - $10,000	As incurred	Before opening	Third-party providers or us
Opening Inventory and Smallwares[2]	$4,000 - $10,000	As incurred	Before opening	Us or an affiliate
Additional Insurance Deposits and Premiums[3]	$250 - $2,000	As arranged	Before opening	Insurance company
Pre-opening Labor[4]	$500 - $1,500	As incurred	Before opening	Employees
Additional funds – 3 Months[5]	$1,000 - $2,000	As incurred	After opening	Various
Total[6]	**$5,900 - $25,500**			

Notes

(1) These figures represent the costs for a cooler to transport Products from your Mai Sushi Bar to your Mai Satellite Sushi Bar and a food display case. You are not required to lease or purchase a vehicle to transport Products from your Mai Sushi Bar to your Mai Satellite Sushi Bar. You may use your vehicle or an employee's vehicle to do that. However, you will be required to purchase a cooler to transport the Products. The higher estimate includes the cost for a display case while the lower estimate does not. Some Retail Operators provide a food display case. If the Retail Operator does not provide a food display case, you will be required to purchase one from a third party or from us. The cost of a food display case typically ranges between $3,000 and $9,500. You are not required to purchase or lease a point of sale system because purchases of Products will be made at cash registers provided by the Retail Operator.

(2) This estimate is for the cost of the initial inventory of food items, smallwares and supplies that you are required to purchase from us or our affiliate, ~~GHG Logistics~~Hana Group Ops, LLC. This estimate includes approximately one (1) months' worth of food items. The amount of food you will need to purchase will vary depending on the volume of sales that your Mai Satellite Sushi Bar generates.

(3) This estimate is for the cost of deposit in order to obtain additional required insurance coverage for your Mai Satellite Sushi Bar. You should check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based upon the area in which your Franchised Business will be located, your experience with the insurance carrier, the loss experience of the carrier and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may want to carry.

(4) This estimate is for the cost of wages for one employee for the period preceding and during the opening of your Mai Satellite Sushi Bar.

(5) This is an estimate of the amount of additional operating capital that you may need to operate your Mai Satellite Sushi Bar during the first three (3) months after commencing operations. However, you may incur additional expenses in starting a Mai Satellite Sushi Bar that may exceed this estimate. This estimate includes such items as additional payroll taxes, health and workers' compensation insurance, bank charges, miscellaneous supplies and equipment, staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable), gas and other transportation costs, and other miscellaneous items relating to a Mai Satellite Sushi Bar. These items are by no means all-inclusive of the extent of the expense categorization.

(6) This total amount is based upon the historical experience of our affiliate in developing satellite sushi bars and information we have obtained relating to the operation of satellite sushi bars between 3 and 8 linear feet. Your costs may vary based on a number of factors including but not limited to the geographic area in which you open, local market conditions, the Retail Location, the time it takes to build sales of the establishment and your skills at operating a business.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure that you maintain the highest degree of consistency, quality and service, you must obtain all goods, services, supplies, materials, fixtures, furnishings, equipment (including computer hardware and software) and other products used only from our designated or approved suppliers, vendors, manufacturers, printers, contractors, and distributors ("Suppliers"), including an affiliated entity or us, who demonstrate to our continuing reasonable satisfaction, the ability to meet our then-current standards. We will disclose to you in writing in the Confidential Operating Manual or otherwise any specifications on products and equipment by designating approved brands, types, compositions, performance qualities or Suppliers. You must sell and offer for sale all Products, including but not limited to private label products, in the manner and style we require. You may only sell and offer for sale Products authorized by us. All Products must be prepared in accordance with our recipes and must use all ingredients we specify. You must not deviate from our standards and specifications without obtaining our written consent first. We may direct you in writing at any time to discontinue selling and offering for sale any Products. We can and expect to modify our standards and specifications, as we deem necessary. We will provide you with notice of any changes as they occur. We may also require you from time to time to participate in the test marketing of Products at your expense.

Suppliers:

We require that you purchase items sourced exclusively from our Suppliers including a single Supplier (which may be us or one of our affiliates) or a limited number of Suppliers, in order to achieve uniformity or better pricing, simplify inventory and purchasing or for other business reasons. Our affiliate, ~~GHG Logistics~~Hana Group Ops, LLC is currently the exclusive Supplier of raw and cooked food items, packaged food items, grains, supplies, condiments, utensils and other items. We may approve other Suppliers but currently, we do not have other approved Suppliers.

~~GHG Logistics~~Hana Group Ops, LLC is wholly owned by our parent, Hana Group US, LLC. None of our officers own an interest in ~~GHG Logistics~~Hana Group Ops, LLC or any other Supplier.

If you want to independently source any items from someone other than one of our Suppliers, you must obtain our prior approval. We do not promise to evaluate or approve proposed suppliers, vendors, manufacturers, printers, contractors and/or distributors (each a "Proposed Supplier") on your request and we may decline to do so. However, if we elect to evaluate a Proposed Supplier at your request, you must provide us with adequate information and product samples to evaluate the Proposed Supplier. We have the right to require that our representatives be permitted to inspect the Proposed Supplier's facilities. We will consider the following factors in our evaluation: (1) whether the products and customer service provided by the Proposed Supplier meet our specifications and standards, including standards for quality control, sanitation, financial stability and compliance with government regulations; (2) the reputation of the Proposed Supplier for quality and reliability; (3) the frequency and method of delivery; (4) competitiveness of pricing offered; and (5) whether the products add anything to the range of Products offered or are redundant of existing approved Products. There are currently no other criteria for approval of Proposed Suppliers. We impose a fee to evaluate a proposed product and/or Proposed Supplier, plus an amount necessary to reimburse us for our actual costs to evaluate the proposed product and/or Proposed Supplier. You or the Proposed Supplier must pay to us a charge of $500 per product item plus our actual costs for evaluation and testing. Our actual costs include costs of travel to a production facility within the United States, which we estimate to be approximately $3,000. If the Proposed Supplier has facilities or imports food from outside the United States, the cost of international travel will be greater. If we agree to evaluate a Proposed Supplier, we will provide you with notification of the approval or disapproval within sixty (60) days after we receive notice and all information and samples necessary to process your request. You may not sell or offer for sale any products from a Proposed Supplier until you receive our written approval of the Proposed Supplier. We may revoke approval of any Proposed Supplier for reasonable cause upon written notice to you. Upon your receipt of notice of such revocation, you must stop selling any disapproved products and stop purchasing from any disapproved supplier.

You must permit us or our representatives to remove, at any time, samples of food or non-food items from your inventory, or from your Mai Sushi Bar and/or Mai Satellite Sushi Bars, without payment, in amounts reasonably necessary for testing by us, to determine whether the samples meet our then-current standards and specifications. You must bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform to our specifications.

We estimate that your leases or purchases from Suppliers (including us or our affiliates) or otherwise in accordance with our specifications will represent approximately 80% to 90% of your total purchases in establishing the Franchised Business and approximately 90% to 95% in the continuing operation of the Franchised Business.

We and our affiliates derive revenue from purchases of products that franchisees are required to make. For the fiscal year ended June 30, ~~2023~~2024, our total revenue was $~~1,722,849~~5,022,626. Our total revenue from purchases or leases of products or services required to be made by Mai franchisees was $~~64,000~~123,000, or ~~3.71~~2.45% of our total revenues. Certain Products or items needed to produce the Products, which include food items and ingredients, smallwares, uniforms and supplies, are required to be purchased from our affiliate, ~~GHG Logistics~~Hana Group Ops, LLC. For the fiscal year ended June 30, ~~2023, GHG Logistics~~2024, Hana Group Ops, LLC received revenues from such purchases by Mai franchisees in an amount equal to $~~1,744,927~~4,685,973. The approximate mark-up on purchases or leases of products and services required to be made by franchisees from us is 6%, and the approximate

mark-up on Products sold by our affiliate, ~~GHG Logistics~~Hana Group Ops, LLC, to franchisees ranges between 9% (plus freight and handling costs) and 30% of such affiliate's cost.

We and/or ~~GHG Logistics~~Hana Group Ops, LLC may enter into agreements with Suppliers to receive rebates or other consideration on account of your purchases and based on certain percentages of the purchases you make from Suppliers. As of the date of this disclosure document, ~~we receive rebates from two Suppliers as a result of leases and purchases of products and services by Mai franchisees: (1) an intercompany rebate on franchisee purchases of products made from GHG Logistics, LLC, which totaled $85,076 for the fiscal year ended June 30, 2023; and (2) a rebate on franchisee purchases of products from a third-party Supplier, which totaled $6,544 for the fiscal year ended June 30, 2023. Except as noted above,~~ neither we nor ~~GHG Logistics~~Hana Group Ops, LLC currently receive any ~~other~~ rebates, overrides or other consideration from Suppliers as a result of purchases by our franchisees; however, we may do so in the future.

We and ~~GHG Logistics~~Hana Group Ops, LLC may negotiate purchasing terms for franchisees from certain Suppliers. We cannot guaranty that any Supplier will offer or continue any particular pricing, delivery cost structure (which may vary based on the location of your Franchised Business relative to Supplier distribution centers), warranty or other terms of sale. We will attempt to negotiate a continued supply of products from various Suppliers, but cannot guaranty a continuing supply from any particular Supplier. We are not under any obligation to you with respect to the terms negotiated or the terms of any Supplier. We cannot guarantee that Suppliers will offer or continue to offer you any trade credit terms as that is solely up to the Supplier and their credit standards.

We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchases of particular products or services or use of particular Suppliers.

Retail Location:

The Franchise Agreement grants you the right to operate a Mai Sushi Bar at a specific Retail Location. We enter into a Vendor Agreement with a Retail Operator that gives us or our designee the right to operate a Mai Sushi Bar in a Retail Location. We will negotiate the terms of a Vendor Agreement with the Retail Operator before offering a franchise to you. You are not a third-party beneficiary of the Vendor Agreement. You must operate your Mai Sushi Bar in compliance with the requirements of the Vendor Agreement and Retail Operator at all times. At least fourteen days prior to you signing your Franchise Agreement, we will make available to you a copy of the Vendor Agreement specific to the Retail Location where your Mai Sushi Bar will be located and provide you with a sufficient opportunity to review the Vendor Agreement and ask us questions regarding the Vendor Agreement prior to you signing your Franchise Agreement.

If the Vendor Agreement for the Retail Location for your Mai Sushi Bar expires or is terminated for any reason, then you may no longer operate a Mai Sushi Bar at that Retail Location. In that event, we are not obligated to offer you the right operate another Mai Sushi Bar at another Retail Location or refund any fees to you. We may terminate your Franchise Agreement. In the alternative, we may locate a replacement Retail Location for you and if we do, you must operate a Mai Sushi Bar at that Retail Location.

Additionally, we may offer to you the right or require that you operate one or more Mai Satellite Sushi Bars located within a forty (40) mile radius of your Mai Sushi Bar. We are not obligated to offer to you the right to operate a Mai Satellite Sushi Bar, even if the Retail Location for that Mai Satellite Sushi Bar is located within a forty (40) mile radius of your Mai Sushi Bar. We may offer that Retail Location to another franchisee or operate it ourselves or through an affiliate. You will be required to sign an amendment to your Franchise Agreement for each Mai Satellite Sushi Bar you operate. If the right to operate a Mai Satellite Sushi Bar at the Retail Location expires or is terminated or if your Franchise Agreement is terminated or expires, you will be required to cease operating your Mai Satellite Sushi Bar. In that event, we are not obligated to offer you the right to operate another Mai Satellite Sushi Bar at another Retail Location or locate a replacement Retail Location. However, if we do, you must operate a Mai Satellite Sushi Bar at that Retail Location.

Typically, you will not be asked or permitted to find potential Retail Locations for Mai Sushi Bars or Mai Satellite Sushi Bars. In the event that you locate a potential Retail Location, you are required to provide us with the contact information for the Retail Operator of that Retail Location. We are not obligated to agree to place a Mai Sushi Bar or a Mai Satellite Sushi Bar at the potential Retail Location. If we enter into an agreement with the Retail Operator, we are not obligated to offer to you the right to operate a Mai Sushi Bar or Mai Satellite Sushi Bar at that Retail Location. We may offer that Retail Location to another franchisee or operate it ourselves or through an affiliate. You will be required to sign an amendment to your Franchise Agreement for each Mai Satellite Sushi Bar you operate.

Computer Hardware, Software and POS Systems:

Depending on the requirements of the Retail Operator in which your Franchised Business is located, we may either provide you with, or require you to purchase, a specific label machine with a label scale and printer, and we will charge you a monthly data fee based on your usage of this equipment in the operation of your Franchised Business. Use of the label machine, scale and printer is necessary for the operation of your Franchised Business, as it performs certain critical inventory management, food labeling and sales tracking functions. You are not required to purchase a POS system or other cash register system, but we do require you to use an annual license for the Adoria software suite for multi-state restaurant systems (for tracking sales and ingredient usage and procurement). The cost of the Adoria software license is incorporated into the data fee that we charge you. We may, in our sole discretion, require you to purchase specific computer hardware, software and information or communications systems which meet our criteria for design, function and capabilities and to require you to utilize specific Internet service providers or communications software and other information technology, including back office administrative programs. We will require you to purchase these items if you will receive direct payments from customers.

Website and Internet:

The location and telephone number of your Mai Sushi Bar and Mai Satellite Sushi Bars, if any, will be posted on our website maintained by us or our supplier. You may not establish or maintain any other website for your Mai Sushi Bar or Mai Satellite Sushi Bars. You will have no rights to market any products or services, including Products, on the Internet without our permission and it is unlikely at this time that such permission will be granted, except for Social Media Platforms. You may not use the

Principal Trademarks or other proprietary information on the Internet other than as provided in the Franchise Agreement.

Local Advertising:

We currently do not require you to conduct any Local Advertising but we may in the future. If you do conduct Local Advertising, you must use business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods (such materials whether created by you, us or any third-party are collectively defined as "Advertising Materials") and Social Media Materials (defined as any material on any Social Media Platform that makes use of our principal trademarks, name, brand, products, services or the Franchised Business whether created by you, us or any third-party) that we prepare or previously approve. See Item 11 for more information. There currently are no purchasing or distribution cooperatives.

Insurance Coverage:

Before you open your Franchised Business, you must obtain insurance coverage for your Franchised Business in at least the amounts specified below. This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible carrier or carriers rated "A" or better by A.M. Best & Company, Inc. and be approved by us.

1. Employer's liability and worker's compensation as prescribed by law in the state in which the Mai Sushi Bar is located;

2. Commercial general liability insurance providing coverage on an occurrence form basis with limits of not less than $1,000,000 per occurrence for bodily injury and property damage combined; $2,000,000 annual general aggregate and $1,000,000 products and completed operations annual aggregate;

3. An "umbrella" policy providing per occurrence coverage limits of not less than $1,000,000 with appurtenant structures up to $50,000 and annual aggregate limits of not less than $3,000,000;

4. Crime (inside/outside money and securities) and employee dishonesty insurance with minimum per occurrence coverage of $10,000;

5. Business interruption insurance to cover your loss of revenues and ongoing expenses and to cover any amounts due and owing to us under the Franchise Agreement (including, in the case of a casualty or loss, royalties and other fees we would have received had the casualty or loss not occurred – based upon the average of the royalties owed by all franchisees for that sales period) or any other agreement between you and us or our affiliates, in an amount not less than the actual loss resulting from an interruption of business, for a minimum of twelve (12) months;

6. Employment practices liability insurance covering claims made by your employees or potential employees including, but not limited to discrimination, wrongful termination, sexual harassment and other employment related claims; and

7. Any insurance required by law in the state or locality in which your Franchised Business will operate.

In the event that you operate a Mai Satellite Sushi Bar, you will also be required to obtain automobile liability coverage, including coverage of owned, non-owned and hired vehicles with coverage in amounts not less than $1,000,000 with combined single limits of $500,000 per occurrence for bodily injury and property damage.

You may with our prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name us, our affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional insureds and must include a waiver of subrogation in favor of all parties.

You must provide us with written proof of your purchase of the above required insurance policies no later than the business day before you open your Franchised Business. You must provide us with written proof of your continued insurance coverage no later than thirty (30) days before the expiration of your insurance policies. In the event that you fail to purchase or maintain the required insurance policies, we may in our sole discretion pay for the required insurance policies for you and charge you for reimbursement of our expenditures. The insurance purchased by you will in no way be limited by any insurance policy or policies we may maintain.

We may in our sole discretion, revise our insurance requirements for franchisees. We may in our sole discretion, require you to obtain additional or different insurance policies in accordance with our then-current insurance requirements for franchisees.

You may not reduce any insurance limit, restrict any insurance coverage or cancel any insurance policy without our written consent. You may alter, amend or upgrade any insurance policy without our written consent provided that you maintain the minimum insurance required and you provide us with notice of such alteration, amendment or upgrade to the insurance coverage upon the issuance of such insurance.

ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Articles in Agreement Or Agreement Location	Item in FDD
a. Site selection and acquisition/lease	Article II of the Franchise Agreement	Items 11 and 12
b. Pre-opening purchases/leases	Articles V and VI of the Franchise Agreement	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	Articles V and VI of the Franchise Agreement	Items 5 and 11

Obligation	Articles in Agreement Or Agreement Location	Item in FDD
d. Initial and ongoing training	Article V of the Franchise Agreement	Items 11 and 17
e. Opening	Section 6.1 of the Franchise Agreement	Item 11
f. Fees	Article IV and Section 6.6 of the Franchise Agreement	Items 5, 6, 7 and 11
g. Compliance with standards and policies/Confidential Operating Manual	Articles VI, VII and VIII of the Franchise Agreement	Items 8 and 11
h. Principal Trademarks and proprietary information	Articles I and XI of the Franchise Agreement	Items 1, 13 and 14
i. Restrictions on products/services offered	Article I and Section 6.16 of the Franchise Agreement	Items 8, 16 and 17
j. Warranty and customer service requirements	Not applicable	Not applicable
k. Territorial development and sales quota	Not applicable	Items 1 and 12
l. Ongoing product/service purchases	Section 5.3 of the Franchise Agreement	Items 8, 16 and 17
m. Maintenance, appearance and remodeling requirements	Article VI of the Franchise Agreement	Items 11 and 17
n. Insurance	Section 6.12 of the Franchise Agreement	Items 7, 8, 11 and 17
o. Advertising	Articles V and VI of the Franchise Agreement	Items 6, 7, 8, 11, 12, 13 and 17
p. Indemnification	Section 6.13 and Article XXII of the Franchise Agreement	Items 6, 8, 13 and 14
q. Owner's participation / management / staffing	Section 6.3 of the Franchise Agreement	Item 15
r. Records and reports	Article VI of the Franchise Agreement	Items 6, 11 and 17
s. Inspections and audits	Section 6.6 of the Franchise Agreement	Items 11 and 17
t. Transfer	Article IX of the Franchise Agreement	Items 6 and 17
u. Renewal	Article III of the Franchise Agreement	Items 6 and 17

Obligation	Articles in Agreement Or Agreement Location	Item in FDD
v. Post termination obligations	Article XIII of the Franchise Agreement	Item 17
w. Non-competition covenants	Articles VIII and XIII of the Franchise Agreement	Items 12 and 17
x. Dispute resolution	Article XXII of the Franchise Agreement	Item 17
y. Other - Licensing and legal Compliance	Article VI of the Franchise Agreement	Item 17

ITEM 10. FINANCING

We offer financing only as described below. We do not guarantee your note, lease or obligations.

You may pay for the opening inventory of food items, smallwares, uniforms and supplies that you purchase from us or our affiliate in three monthly installments with interest at an annual rate of eight (8%) percent. We may deduct these payments from your Franchise Commissions. There are no additional finance charges beyond the stated rate of interest, and outstanding amounts may be prepaid at any time without penalty. To secure your repayment obligations in connection with such financing, you agree to grant us or our affiliate a security interest in the inventory, operating assets and all other assets and any proceeds (including, but not limited to, all accounts receivable and the proceeds of any insurance) of your Franchised Business. The terms of such security interest are set forth at Section 6.15 of the Franchise Agreement. Additionally, if you are an entity, each shareholder, partner or member and their respective spouses shall personally guarantee such financing (in connection with the personal guarantee by such parties of your other obligations under the Franchise Agreement, in the form attached as Exhibit 7 of the Franchise Agreement).

The financing available to you for the opening inventory of food items, smallwares, uniforms and supplies described above shall be provided to you subject to the terms of your Franchise Agreement. As such, if you fail to make timely payment to us or our affiliate of any sums due in connection with such financing, in addition to such owed funds, you shall pay to us (either directly or on behalf of our affiliate) a late fee of $25 for each day a monthly installment remains unpaid past the due date. In addition, under the terms of your Franchise Agreement, we will be entitled to recover from you all costs and expenses, including attorneys' fees, for any failure to pay any amounts when due in connection with such financing. Failure to pay any such amounts will also result in a violation of your Franchise Agreement, which, after the expiration of the 10 day notice and cure period under your Franchise Agreement, could result in the termination of your Franchised Business and the acceleration of all payments due within 15 days after the effective date of termination. Under the terms of your Franchise Agreement, with regard to any legal proceeding by the Franchisor against you to enforce its rights in connection with such financing, you also agree to waive your rights to a jury trial and to object to the state courts located in Allentown, Pennsylvania or the United States District Court for the Eastern District of Pennsylvania as the proper venue for such proceeding.

We may offer you the opportunity to lease from us a new sushi robot machine (which, depending on the type of equipment leased, will have sushi rolling, cutting or nori sheet making functionality), which you may utilize for the production of Products at your Franchised Business. If offered to you, you will be given the opportunity to enter into an equipment lease agreement with us, pursuant to which you will make 12 equal, monthly payments following lease inception in the amount equal to the particular cost of the equipment leased over a 1-year lease term, and upon expiration of the term (and assuming you are not in default under the terms of the lease), you will have the option to acquire the equipment for $1. The total payments due under the lease are equivalent to the landed cost of the sushi robot equipment ~~to~~incurred by us~~.~~ (therefore, the total amount financed by you pursuant to this lease is equal to 100% of the cost of the sushi robot equipment; currently, the cost of the most expense piece of equipment that may be subject to this leasing arrangement is $14,800). To secure your payment obligations under the lease, we will have the right to obtain a lien on, and first priority security interest in, the equipment. Additionally, if you are an entity, each shareholder, partner or member and their respective spouses shall personally guarantee your obligations under the lease (in connection with the personal guarantee by such parties of your other obligations under the Franchise Agreement, in the form attached as Exhibit 7 of the Franchise Agreement). You will have no right to prepay your payment obligations under the lease; however, in the event of a loss or material impairment of the equipment during the lease term, you will be obligated to pay us, on demand, a pro-rated portion of the value of the equipment based on the stipulated remaining value of the equipment at the time of loss agreed to by you and us at lease inception~~.~~ (defined as the "Stipulated Loss Value" under the lease). Stipulated Loss Value is determined based on a straight-line amortization of the cost of the equipment based on the remaining payments due under the lease in the applicable month in which a loss or material impairment occurs.

If you fail to pay any rent or other amount due or otherwise default on your obligations under the sushi robot equipment lease, following notice and opportunity to cure, we may charge you a late fee (with respect to any late payments due under the lease) equal to the lower of the maximum amount allowed by law or $50 per day for each day payment is overdue, terminate the lease in whole or in part, repossess the equipment, require you to deliver the equipment to a designated location and demand pro-rata rent for the equipment for each day you fail to return the equipment to the designated location, proceed by court action to enforce performance of the lease and/or recover all damages and expenses incurred by reason of the event of default, sell the equipment at public or private sale, and exercise any other remedy available at law, in equity, by statute or in any other agreement between the parties, including your Franchise Agreement, which provides for the cross-default and potential termination of your Franchise Agreement as a result of the default of your obligations under the lease. Under the terms of the lease, with regard to any legal proceeding by the Franchisor against you to enforce its rights in connection with such lease, you also agree to waive your rights to a jury trial and to object to the state courts located in Lehigh County, Pennsylvania or the United States District Court for the Eastern District of Pennsylvania as the proper venue for such proceeding. As the sushi robot equipment is being leased to you at our cost, the effective interest rate on the payments due under the lease is 0%. There are no other finance charges due under this leasing arrangement, other than as described above.

It is not our practice or intent to sell, assign or discount to third parties all or part of financed or deferred amounts.

ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Pre-Opening Obligations:

Before you open your Mai Sushi Bar:

1. We will enter into a Vendor Agreement with a Retail Operator for the operation of a Mai Sushi Bar within that Retail Operator's Retail Location. The Franchise Agreement will grant you the right to operate a Mai Sushi Bar in that specific Retail Location, subject to the requirements of the Vendor Agreement and the Retail Operator. You are not a third-party beneficiary of the Vendor Agreement. (Franchise Agreement, Sections 2.1 and 5.4.)

2. We will provide the Initial Training Program as described below for you or your Operating Principal at the location of your Franchised Business or an alternate location that we agree to for a fee of $2,000, plus the reimbursement of our costs and expenses to provide the Initial Training Program (including travel, room and board and living expenses for our personnel providing such training and the rental of kitchen facilities (if we agree to provide the Initial Training Program at a location other than the location of your Franchised Business)). You may choose to have additional managers, employees and owners receive the Initial Training Program. We charge $1,500 for each additional person to attend the Initial Training Program. (Franchise Agreement, Sections 5.2 and 5.4.)

3. We or an affiliate will provide you with an opening inventory of food items, smallwares, uniforms and supplies for a fee ranging between $7,500 and $20,000, which you may pay in a lump sum or in three equal monthly installments with interest calculated at 8%. Equipment, signs, and fixtures are purchased from third parties; provided, that if you elect to lease a sushi robot, you will do so from us. We may provide you with a list of approved Suppliers for equipment, signs and fixtures but we typically do not. However, we will typically provide you with written specification for these items. We do not deliver or install these items. (Franchise Agreement, Section 5.3 and Section 5.4.)

4. We will loan you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement, Sections 5.1 and 5.4.)

5. We will provide you with a copy of certain confidential recipes. You must prepare all Products in the exact manner and using the exact ingredients required by us in accordance with our recipes. We may amend, revise and/or change our recipes and you will be required to comply with all such amendments, revisions and/or changes. (Franchise Agreement, Section 5.4.)

6. We will establish standards and specifications for the System, which we may enforce in our discretion. (Franchise Agreement, Section 5.4.)

7. We will specify minimum policy limits for certain types of insurance coverage required to meet our minimum standards. You will submit for our approval, which will not be unreasonably withheld, any insurance policy prior to purchasing such policy. We may in our sole discretion, revise our

insurance requirements for franchisees and we may in our sole discretion, require you to obtain additional or different insurance policies. (Franchise Agreement, Sections 5.4 and 6.12.)

8. We will prepare and make available to you Advertising Materials and Social Media Materials for your use. We may conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications and use Social Media Platforms. We may provide you with standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. (Franchise Agreement, Section 5.4.)

9. We will provide you with a list of approved Products, as revised from time to time. (Franchise Agreement, Sections 5.4 and 6.16.)

We are not obligated by the Franchise Agreement, or any other agreement, to provide any other supervision, assistance or services prior to the opening of your Mai Sushi Bar.

Pre-Opening Operational Assistance:

1. We may provide you with on-site assistance prior to your grand opening. Grand opening assistance may include a representative of ours traveling to your Mai Sushi Bar and providing you with up to two (2) days of on-site assistance prior to your grand opening and up to three (3) days of on-site assistance during and after your grand opening. (Franchise Agreement, Section 5.4.)

2. We may review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement, Sections 5.4 and 6.7.)

3. We may in our sole discretion, provide you with a list of Suppliers, as revised from time to time. (Franchise Agreement, Sections 5.3 and 5.4.)

4. We may provide the ServSafe training program to you, your Operating Principal and/or your employees. (Franchise Agreement, Sections 5.2 and 5.4.)

Post-Opening Obligations:

During the operation of your Mai Sushi Bar:

1. We will remit Franchise Commissions to you after deductions are made for Retail Commissions, the Royalty and other charges due to us. Our obligation to remit Franchise Commissions to you is subject to our receipt of payment from the Retail Operator. (Franchise Agreement, Sections 4.2 and 5.5.)

2. We will invite you to attend any meetings with our personnel and other franchisees. If and when these meetings occur will be determined in our discretion. (Franchise Agreement, Section 5.5.)

3. We will provide you with a copy of certain of our confidential recipes. You must prepare all Products in the exact manner and using the exact ingredients required by us in accordance with our

recipes. We may amend, revise and/or change any of our recipes and you will be required to comply with all such amendments, revisions and/or changes. (Franchise Agreement, Section 5.5.)

4. We will establish standards and specifications for the System, which we may enforce in our discretion. (Franchise Agreement, Section 5.5)

5. We will continue to loan you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement, Sections 5.1 and 5.5.)

6. We will prepare and make available to you Advertising Materials and Social Media Materials for your use. We may conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications and use Social Media Platforms. We may provide you with standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. (Franchise Agreement, Section 5.5.)

We are not obligated by the Franchise Agreement or any other agreement to provide any supervision, assistance or services in connection with the on-going operation of your Mai Sushi Bar other than as stated herein.

Post-Opening Operational Assistance:

1. We may provide you with a list of approved Products as revised from time to time. (Franchise Agreement, Sections 5.5 and 6.16.)

2. We may review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement, Sections 5.5 and 6.7.)

3. We may develop Advertising Materials and Social Media Materials for the Brand Fund. (Franchise Agreement, Sections 5.6 and 6.7.)

4. We may in our sole discretion, provide periodic counseling to you in the operation of your Franchised Business. This periodic counseling may be provided individually or in a group setting. This periodic counseling may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by us. (Franchise Agreement, Section 5.5.)

5. We may provide you with on-site assistance during and after your grand opening as well as other times during the term of your Franchise Agreement. We typically do not provide assistance in resolving operational problems that you encounter, but we may elect to do so. (Franchise Agreement, Section 5.5.)

6. We may in our sole discretion provide you with additional training. (Franchise Agreement, Sections 5.2 and 5.5.)

7. We may provide you with a list of approved Suppliers as revised from time to time. (Franchise Agreement, Sections 5.3 and 5.5.)

8. We may inspect your Mai Sushi Bar and Mai Satellite Sushi Bar, if applicable, as well as evaluate the Products offered by you. (Franchise Agreement, Sections 5.5 and 6.6.)

9. We may provide the ServSafe training program to you, your Operating Principal and/or your employees. (Franchise Agreement, Sections 5.2 and 5.5.)

10. As part of our right to inspect your Mai Sushi Bar or Mai Satellite Sushi Bar, we may review your pricing structure for Products for its compliance with agreements with Retail Operators and provide assistance to you, including making pricing recommendations, to ensure the Products offered by you are priced consistent with Retail Operator guidelines. (Franchise Agreement, Section 6.6.)

Site Selection:

The Franchise Agreement grants you the right to operate a Mai Sushi Bar at a specific Retail Location. We enter into a Vendor Agreement with a Retail Operator that gives us or our designee the right to operate a Mai Sushi Bar in a Retail Location. We will negotiate the terms of a Vendor Agreement with the Retail Operator before offering a franchise to you. You are not a third-party beneficiary of the Vendor Agreement. You must operate your Mai Sushi Bar in compliance with the requirements of the Vendor Agreement and the Retail Operator at all times. At least fourteen days prior to you signing your Franchise Agreement, we will make available to you a copy of the Vendor Agreement specific to the Retail Location where your Mai Sushi Bar will be located and provide you with a sufficient opportunity to review the Vendor Agreement and ask us questions regarding the Vendor Agreement prior to you signing your Franchise Agreement.

If the Vendor Agreement for the Retail Location for your Mai Sushi Bar expires or is terminated for any reason, then you may no longer operate a Mai Sushi Bar at that Retail Location. In that event, we are not obligated to offer you the right to operate another Mai Sushi Bar at another Retail Location or refund any fees to you. We may terminate your Franchise Agreement. In the alternative, we may locate a replacement Retail Location for you and if we do, you must operate a Mai Sushi Bar at that Retail Location. If your Franchise Agreement is terminated, you must cease operating your Mai Sushi Bar and all Mai Satellite Sushi Bars granted under the Franchise Agreement.

Additionally, we may offer to you the right or require that you operate one or more Mai Satellite Sushi Bars located within a forty (40) mile radius of your Mai Sushi Bar. We are not obligated to offer to you the right to operate a Mai Satellite Sushi Bar, even if the Retail Location for that Mai Satellite Sushi Bar is located within a forty (40) mile radius of your Mai Sushi Bar. We may offer that Retail Location to another franchisee or operate it ourselves or through an affiliate. You will be required to sign an amendment to your Franchise Agreement for each Mai Satellite Sushi Bar you operate. If the Vendor Agreement for the Retail Location for your Mai Satellite Sushi Bar expires or is terminated or if your Franchise Agreement is terminated or expires, you will be required to cease operating your Mai Satellite Sushi Bar. In that event, we are not obligated to offer you the right to operate another Mai Satellite Sushi Bar at another Retail Location or locate a replacement Retail Location. However, if we do, you must operate a Mai Satellite Sushi Bar at that Retail Location.

If we require you to operate one or more Mai Satellite Sushi Bars, we may only require you to do so within forty (40) miles of your Mai Sushi Bar, which Mai Satellite Sushi Bar(s) may or may not be located within the Retail Location of your Mai Sushi Bar. If you fail to open a Mai Satellite Sushi Bar

that we require you to operate, it is a violation of your Franchise Agreement and following notice by us and an opportunity to cure, we may terminate your Franchise Agreement as a result of such violation. Typically, we will only require you to open a Mai Satellite Sushi Bar(s) if the Retail Operator that owns and/or operates the Retail Location in which your Mai Sushi Bar is located specifies that one or more Mai Satellite Sushi Bars be opened.

Typically, you will not be asked or permitted to locate potential Retail Locations for Mai Sushi Bars or Mai Satellite Sushi Bars. In the event that you locate a potential Retail Location, you are required to provide us with the contact information for the Retail Operator of that Retail Location. We are not obligated to agree to place a Mai Sushi Bar or a Mai Satellite Sushi Bar at the potential Retail Location. If we enter into a Vendor Agreement with the Retail Operator, we are not obligated to offer to you the right to operate a Mai Sushi Bar or Mai Satellite Sushi Bar at that Retail Location. We may offer that Retail Location to another franchisee or operate it ourselves or through an affiliate. You will be required to sign an amendment to your Franchise Agreement for each Mai Satellite Sushi Bar you operate.

We estimate that you will open your Mai Sushi Bar approximately two (2) to four (4) weeks after you sign your Franchise Agreement. This time may be significantly shorter or longer depending upon the time necessary to complete all required training and obtain inventory, financing, permits, licenses and other necessities for the operation of your Mai Sushi Bar. Additional time may be needed due to adverse weather conditions, shortages, delivery schedules and other similar factors. The Franchise Agreement requires you to open the Franchised Business and begin business no later than two (2) months after signing the Franchise Agreement, unless you obtain a written extension of this time period from us. If you fail to open within two (2) months, we may terminate the Franchise Agreement.

Retail Location:

You will not be required to conform the Retail Location to local ordinances and building codes. You will not be required to obtain building permits or similar permits for the Retail Location. You will not be required to assist in the construction, remodeling or decorating of the Retail Location.

Computer Hardware and Software:

We do not require you to purchase a POS system or any other electronic cash register because sales are made through the Retail Location's register system. You will need to purchase a computer system with hardware and software, including administrative software, which accommodates an online system that gives us independent access to your records via the Internet at all times. You must allow us to establish and maintain communication with your computer system via a dedicated data transmission line such as DSL or Cable, or similar telecommunications means to retrieve information and emails. There are no contractual limitations to our access to your computer information. Your computer system must be purchased and installed in accordance with our specifications. Some of the items you will need to obtain for your computer system include Microsoft Office package, including Word and Excel, Adobe Acrobat Reader, anti-virus software and an annual license for the Adoria software suite for multi-state restaurant systems (for tracking sales and ingredient usage and procurement). We estimate that the total cost to purchase your computer system and related software is approximately $1,500.

You are required, at your cost, to change and update your computer system during the term of the Franchise Agreement, without limitation. You are solely responsible for protecting yourself from viruses, computer hackers and other computer-related problems and you may not sue us for any harm caused by such computer-related problems. You may not add any software to your computer system without our written approval and you must provide us with all access codes necessary for full access to your information. We estimate that the annual cost to maintain, update, upgrade or support your computer system is approximately $200 to $400 per year.

Confidential Operating Manual:

Attached to this disclosure document as Exhibit C, is the Table of Contents for our Confidential Operating Manual. The Table of Contents will state the number of pages devoted to each subject contained in the Confidential Operating Manual and will also state the total number of pages in the Confidential Operating Manual.

Training:

For your first Mai Sushi Bar only, you, or if you are a legal entity, your Operating Principal must attend and complete our Initial Training Program to our satisfaction. We do not require that your managers, employees or owners other than you or your Operating Principal, if you are an entity, to complete the Initial Training Program. However, you may have your managers, employees or owners other than your Operating Principal (if you are an entity) attend our Initial Training Program. We charge an Initial Training Fee of $2,000 for you or your Operating Principal to receive the Initial Training Program at the location of your Franchised Business or an alternate location that we agree to, plus the reimbursement of our costs and expenses (including travel, room and board, living expenses and the rental of kitchen facilities (if we agree to provide the Initial Training Program at a location other than the location of your Franchised Business) for our personnel to provide such training) (the typical range of our costs and expenses reimbursable by you is $0-$4,500, with the low estimate being reflective of an Initial Training Program at a Franchised Business that is local to our facilities and for which we incur no travel or other costs and expenses to provide such training, and the high estimate being reflective of our costs and expenses (including travel, room and board, living expenses and the rental of kitchen facilities) for our personnel to provide the Initial Training Program at a location other than the location of your Franchised Business that our personnel are required to travel to). We charge $1,500 per each additional person to attend the Initial Training Program (the typical range of fees for additional employees who receive our Initial Training Program is $0-$1,500, as most franchisees have either or one or two people attend the Initial Training Program).

The Initial Training Program is offered at the location of your Franchised Business or an alternate location that we agree to. You or your Operating Principal are required to attend and complete the five (5) to twelve (12) day Initial Training Program between one (1) to two (2) weeks prior to opening your Mai Sushi Bar. You will be responsible for all costs associated with attending the Initial Training Program for you and your staff. Failure to complete training to our satisfaction is an event of default enabling us to terminate the Franchise Agreement. We will not refund the Initial Franchise Fee if you or your Operating Principal is unable to complete the Initial Training Program.

INITIAL TRAINING PROGRAM:

Subject	Hours of Classroom Training	Hours of on the Job Training	Location
Days 1-2			
Orientation and Food Safety	16		the location of your Franchised Business, unless otherwise agreed or designated
Days 3-12			
Customer Service, Inventory Management, Kitchen Operations, Food Safety and Operations Management		~~40-96~~24-96	the location of your Franchised Business, unless otherwise agreed or designated
Totals	**16**	**~~40-96~~24-96**	

We reserve the right to amend, modify, supplement, vary and/or delete any portion of the contents of the Initial Training Program.

All training will be conducted or supervised by our Director of Franchise Operations, Reeta Ale Magar, or conducted by our Corporate Trainer, Drannon Tant, our Franchise Compliance Manager, Peter Lasaw, or one of our Area Managers.

Reeta Ale Magar ~~and~~, Drannon Tant and Peter Lasaw provide training in the areas of customer service, inventory management and operations management. Ms. Ale Magar has 11 years of experience in customer service, 8 years of experience in inventory management and 9 years of experience in sushi operations, ~~and~~ Mr. Tant has 9 years of experience in customer service, inventory management and sushi operations, and Mr. Lasaw has 20 years of experience in customer service, inventory management and sushi operations. Ms. Ale Magar has been with the Franchisor since June 2021, and with its affiliate, Hana Group Ops, LLC (formerly known as Genji, LLC), from October 2012 to October 2017, ~~and~~ Mr. Tant has been with the Franchisor since April 2023, and Mr. Lasaw has been with the Franchisor since June 2024.

Each of our Area Managers has a minimum of 5 years of experience in kitchen operations, customer service, inventory management and operations management. Our Area Managers have been with us or our affiliates between 1 month to ~~7~~21 years.

The Initial Training Program may also be conducted by other qualified personnel including managers, supervisors and consultants whose services we may retain for specific training courses; provided, that any of our personnel that conducts the Initial Training Program or any additional training described below shall have a minimum of 5 years of experience in kitchen operations, customer service, inventory management and operations management. No other formal training staff is maintained at present.

We intend to conduct the Initial Training Program on a monthly basis but will conduct it more frequently as needed, in our sole discretion. The materials used for the Initial Training Program include

the Confidential Operating Manual, checklists, quizzes, recipes, other handouts, software applications, product samples and/or hands-on materials.

We may offer and/or require that you or your Operating Principal and/or previously trained managers, employees and/or owners attend and complete additional training courses that we either periodically choose to provide or otherwise may require, at the times and locations that we designate. You must pay to us, for each person attending such additional training, the training fee then charged by us, plus our costs and expenses (including travel and lodging costs for our personnel if such additional training is provided on location). You will also be responsible for all costs associated with attending the additional training for you and your staff.

In addition to the Initial Training Program, you, your Operating Principal and all of your employees must complete the ServSafe training program. You are required to have at least one ServSafe certified person on duty at your Mai Sushi Bar at all times. The ServSafe training program is approximately two (2) days. The cost of a ServSafe training program typically ranges from $100 to $300 per person. Typically, there is a $50 per person re-testing fee if a trainee fails to pass the ServSafe test. You will also be responsible for all costs associated with attending the ServSafe training program for you and your staff.

Some state regulations require additional food safety certificates. You may be required by governmental or regulatory agencies in your state to take additional certification courses and tests. If you are required to do so, you will be required to provide to us proof of any state required certification.

Other than as described above, we do not require any additional or supplemental training or refresher courses at this time. In the event we do offer or require additional or supplemental training for you, your Operating Principal and/or your employees, we may charge you the then-current supplemental training fee for such training, which as of the date of the issuance date is $500 per day, plus our costs and expenses. You will be responsible for all travel, room and board, living expenses, employee wages and workers' compensation insurance for your employees incurred while attending any additional or supplemental training.

For your first Franchised Business, we may also provide you with additional grand opening assistance without charge. Grand opening assistance may include a representative of ours traveling to your Mai Sushi Bar and providing you with up to two (2) days of on- site assistance prior to your grand opening and up to three (3) days of on-site assistance during and after your grand opening. We may, but are not obligated to, provide you with on-site assistance during the term of your Franchise Agreement. There are no identifiable circumstances under which we will provide you with on-site assistance. On-site assistance is entirely within our discretion and may be based on your location, staff availability, customer complaints or other occurrences.

We do not assist you with hiring your employees.

Local Marketing and Advertising:

We currently do not require you to conduct any Local Advertising but we may do so in the future. If you conduct Local Advertising, you must use Advertising Materials and Social Media Materials that we prepare or previously approve.

Advertising Materials is defined to mean all business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods whether created by us, you or any third- party. Social Media Materials is defined to mean any material on any "Social Media Platform" that makes use of our Principal Trademarks, name, brand, products or your Franchised Business whether created by us, you or a third-party. Social Media Platform is defined to mean web based platforms such as Facebook, Myspace, Twitter, LinkedIn, blogs and other networking and sharing sites. You may not use a Social Media Platform without our prior written approval.

You are not required to prepare Advertising Materials or Social Media Materials. You are required at your expense, to obtain and maintain at your Mai Sushi Bar and Mai Satellite Sushi Bars, if any, Advertising Materials of the kind and size as we may require, from time to time. All Advertising Materials, Social Media Materials and other items we designate must bear the Principal Trademarks in the form, color, location and manner we prescribe and must meet all of our standards and requirements. All Advertising Materials, Social Media Materials and Social Media Platforms used by you must be conducted in a dignified manner and must conform to the standards and requirements that we state in the Confidential Operating Manual or otherwise.

You must obtain our prior approval before: (i) you use any Advertising Materials or Social Media Materials if we have not prepared or approved such Advertising Materials or Social Media Materials within the previous twelve (12) months; and (ii) before you initially use any Social Media Platform. You must submit all unapproved Advertising Materials, Social Media Materials and requests to use Social Media Platforms to us via certified or electronic mail. We will approve or disapprove such request within ten (10) days after submission. If you do not receive written approval within ten (10) days after submission of your request for approval, your request is deemed denied. We may withhold our approval of your use of any Advertising Materials, Social Media Materials or Social Media Platform for any reason or no reason at all. You may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platforms. We have the right to revoke our prior approval of any Advertising Materials, Social Media Materials and Social Media Platform. You must promptly discontinue use of any Advertising Material, Social Media Material and/or Social Media Platform, whether or not previously approved, on notice from us. We have the right to require you to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. We have the right to access your Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. You are required to give us your usernames, passwords, account information and all other information we may require to access your Social Media Platforms accounts upon your initial use of a Social Media Platform and immediately upon our request.

All Advertising Materials, Social Media Materials and use of Social Media Platforms must indicate that you operate the Mai Sushi Bar as an independent franchisee of us. You will not employ any person to act as your representative in connection with local promotion of the Franchised Business in any public media without our prior written approval.

We currently do not require you to spend a minimum amount of money on Local Advertising. However, we may require that you spend one percent (1%) of your Gross Sales on Local Advertising. If

required, Local Advertising expenditures will be required on a monthly basis based on one percent (1%) of the monthly Gross Sales from the prior month. Payment for the first month may be an estimate. Any discrepancy between the amount paid for the first month and the amount equal to one percent (1%) of Gross Sales for the first month will be credited against or added to the amount due for the second month. Local Advertising expenditures must be made in accordance with the Confidential Operating Manual and be based upon a marketing plan submitted to us for approval. Upon request, you must submit an itemized report documenting proof of expenditures to us, in a form we may in our sole discretion, require. Upon discovery of your non-compliance with your Local Advertising requirements, we may require you to expend those funds as we require which may include contributing to the Brand Fund any amount required but not spent by you. Costs and expenditures you incur for any of the following do not count towards your required Local Advertising expenditures:

(i) Salaries and expenses of your employees, including salaries or expenses for attendance at advertising meetings or activities;

(ii) In-store materials consisting of fixtures or equipment;

(iii) Expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials; and

(iv) Seminar and educational costs and expenses of your employees.

There are currently no advertising councils of franchisees to advise us on advertising policies and we do not expect to create such councils. There are currently no advertising cooperatives in our System but we may create advertising cooperatives in the future. We may require you to participate in an advertising cooperative in the future, but we currently do not have any plans to create an advertising cooperative. Advertising cooperatives may be organized by market or region. Company-owned units may be active members of any cooperative and may possess voting power in accordance with the rules of the cooperative as we may determine in our sole discretion. However, as we do not have any current plans to create an advertising cooperative, in the event an advertising cooperative is ever created, no determination has been made as to how much you and other franchisees would be required to contribute to such cooperative, whether company-owned units would contribute to such cooperative and who would administer the cooperative. Accordingly, no governing documents have been prepared for any prospective advertising cooperative and they are therefore not available for your review.

We do not have any obligations to conduct any advertising for the System.

Brand Fund:

We may institute, maintain and administer a separate fund for advertising, marketing, promotional or public relations programs and for using Social Media Platforms as we may deem necessary or appropriate to enhance, promote and protect the goodwill and public image of the System ("Brand Fund"). If we do so, the following requirements will apply. We may contribute or loan additional funds to the Brand Fund on any terms we deem reasonable. We will direct all such programs with sole discretion over all operational and advertising decisions, including: (1) the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website as well as the use of Social Media Platforms, as funds permit); (2) the source of the advertising, marketing, promotional or public relations efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (3) the placement and allocation of such programs (which may be local, regional or

national); and (4) the composition of all geographic territories and market areas for the development and implementation of such programs.

Generally, the Brand Fund may be used in any of the following ways: (1) to create and implement Advertising Materials and Social Media Materials, in any form that we may determine; (2) to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms; (3) in connection with radio, television, print, Internet advertising, sports and cable programs, other forms of production and media as well as Social Media Platforms; (4) to review any and all locally produced Advertising Materials and Social Media Materials; (5) for website design and maintenance and to conduct search engine optimization; (6) to use Social Media Platforms and develop Social Media Materials; (7) to conduct market research; (8) to undertake sponsorships; (9) to pay related retainers; (10) to conduct customer surveys, customer interviews and to retain mystery shoppers to conduct inspections of the System as well as competitors; (11) to retain celebrities for endorsement purposes; (12) to pay for membership dues to associations such as the International Franchise Association and other relevant industry associations; (13) to establish a third-party facility to customize Advertising Materials and Social Media Materials; and (14) to reimburse us and/or our affiliates for salaries, overhead and administrative expenses relating to administration of the Brand Fund.

If we establish the Brand Fund, you will make Brand Fund Contributions in an amount up to one percent (1%) of your Gross Sales. We will withhold your Brand Fund Contributions before remitting the balance of your Franchise Commissions to you. We will be responsible for administering the Brand Fund. Advertising Materials and Social Media Materials, if developed, may be sold to franchisees at a reasonable cost. We may receive payment for providing goods or services to the Brand Fund. We are not required to spend any amount on advertising, marketing or promotional programs or Social Media Platforms near or in the vicinity of your Mai Sushi Bar or to spend pro rata, your individual Brand Fund Contributions. Any unused portion of the Brand Fund in any calendar year or earnings on sales of Advertising Materials and Social Media Materials will be applied to the following year's Brand Fund. There is no requirement for the Brand Fund to be independently audited. Once established, we will make an unaudited annual account available to you once a year upon request within one hundred twenty (120) days after our fiscal year ends.

Any company and/or affiliate-owned units opened at any point in time in the future will be permitted but may not be required to contribute to the Brand Fund at a rate equal to the Brand Fund Contribution rate required for the System. If the Brand Fund Contribution percentage for the System is reduced at any time, we may reduce Brand Fund Contributions from company and/or affiliate-owned units to the rate specified for franchised businesses. We may discontinue the Brand Fund but we will not do so until all the monies in the Brand Fund have been expended. We will have no fiduciary duty with respect to Brand Fund proceeds and are administering these funds as an accommodation to franchisees and the System only.

We will not use any monies from the Brand Fund to principally solicit new franchise sales. However, we may include language in all advertising indicating that franchises are available, with our contact information.

No other supervision, assistance or services are provided by us or any parent or affiliate for the establishment or operation of a Mai Sushi Bar.

ITEM 12. TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We grant you the right to operate a Mai Sushi Bar from a specific location. The location of your Mai Sushi Bar will be based upon relevant factors and typically set within an existing Retail Location. We consider the size of the sushi bar, the sales volume at the Retail Location, the presence and sales volume of the delicatessen operations within the Retail Location market, traffic, population and other characteristics. The minimum territory granted to you will be the Retail Location in which your Mai Sushi Bar is located. At least fourteen days prior to you signing your Franchise Agreement, we will make available to you a copy of the Vendor Agreement specific to the Retail Location where your Mai Sushi Bar will be located and provide you with a sufficient opportunity to review the Vendor Agreement and ask us questions regarding the Vendor Agreement.

We enter into a Vendor Agreement with each Retail Operator that gives us or our designee the right to operate a Mai Sushi Bar or a Mai Satellite Sushi Bar in a Retail Location. We will negotiate the terms of a Vendor Agreement with a Retail Operator before offering a Mai Sushi Bar franchise to you. You will not enter into a lease or any other agreement with a Retail Operator. Your Franchise Agreement will grant you the right to operate a Mai Sushi Bar in a specific Retail Location. You are not a third-party beneficiary of the Vendor Agreement. You must comply with the requirements of the Vendor Agreement and the Retail Operator at all times. Your right to operate a Franchised Business is conditioned upon the right to operate a Mai Sushi Bar at the Retail Location. If the Vendor Agreement for the Retail Location for your Mai Sushi Bar expires or is terminated, you may no longer operate your Mai Sushi Bar at the Retail Location. We may terminate your Franchise Agreement. We will not compensate you for the loss of the right to operate at that Retail Location and we do not guaranty, warrant or promise that we will find you another Retail Location from which to operate your Mai Sushi Bar.

You may not relocate your Mai Sushi Bar or Mai Satellite Sushi Bar without our prior written approval. If we approve a new Retail Location, you may operate your Mai Sushi Bar or Mai Satellite Sushi Bar, as applicable, only from that Retail Location. You will be required to enter into a new Sublicense Agreement to reflect the new Retail Location. If you request to relocate your Mai Sushi Bar or Mai Satellite Sushi Bar, we consider several factors including the viability of the then-current Retail Location, whether the proposed Retail Location is near your existing Mai Sushi Bar or Mai Satellite Sushi Bar, and the characteristics relating to the proposed Retail Location and the proximity of other Mai Sushi Bars or Mai Satellite Sushi Bars to the proposed Retail Location.

Under the Vendor Agreement, the Retail Operator may have the right to require that your Mai Sushi Bar or Mai Satellite Sushi Bar be relocated to another area located within the Retail Location, at your sole cost and expense. We will not compensate you or reimburse you for any costs or expenses associated with relocating your Mai Sushi Bar or Mai Satellite Sushi Bar to another area within the same Retail Location.

We do not grant you any options, rights of first refusal or similar rights to acquire additional franchises. However, we may offer to you the right to or require that you operate one or more Mai Satellite Sushi Bars located within a forty (40) mile radius of your Mai Sushi Bar. The Products for your Mai Satellite Sushi Bar are prepared on-site at your Mai Sushi Bar and delivered by you to your Mai

Satellite Sushi Bar. You may not operate a Mai Satellite Sushi Bar without operating a Mai Sushi Bar. You will be required to sign an amendment to your Franchise Agreement for each Mai Satellite Sushi Bar you operate. We are not required to offer you the right to operate a Mai Satellite Sushi Bar. We, an affiliate or another franchisee may operate a Mai Satellite Sushi Bar at a Retail Location, regardless of its vicinity to your Mai Sushi Bar, without any compensation to you. If the Vendor Agreement for the Retail Location for your Mai Sushi Bar expires or is terminated or if your Franchise Agreement is terminated or expires, you will be required to cease operating your Mai Satellite Sushi Bar. In that event, we are not obligated to offer you the right to operate another Mai Satellite Sushi Bar at another Retail Location or locate a replacement Retail Location. However, if we do, you must operate a Mai Satellite Sushi Bar at that Retail Location.

We reserve for us and our affiliates all rights not specifically granted to you. These rights include but are not limited to:

(a) Selling Products and enfranchising others to sell Products sold under any trade name, trademark or service mark (including the Principal Trademarks) at any location, including the Retail Locations and non-traditional locations, and through any alternative channel of distribution, regardless of the vicinity to your Mai Sushi Bar or Mai Satellite Sushi Bar. Alternative channels of distribution include sales of products or services through retail outlets, catalogs, direct marketing sales or through the internet; and

(b) Developing, implementing and participating in a co-branding program located anywhere regardless of whether any co-branded business is franchised or company-owned and regardless of which trade names, trademarks, or service marks are used in connection with the co-branded business, including but not limited to the Principal Trademarks.

There are no restrictions imposed on us from soliciting or conducting business within your territory. We and our affiliates are not required to pay you any compensation for soliciting and/or conducting business within your territory.

You may only solicit sales and orders, fulfill orders, and prepare and sell Products from your Mai Sushi Bars or Mai Satellite Sushi Bars. You may sell Products only to customers at your Mai Sushi Bars or Mai Satellite Sushi Bars, and you may not provide delivery services or offer for sale or sell any Products through other channels of distribution, such as through the Internet, catalogs, telemarketing or other direct marketing outside of your territory. However, you may engage in advertising, marketing and promotional activities anywhere as long as sales of Products are only made from your Mai Sushi Bars or Mai Satellite Sushi Bars. We, our affiliates and our franchisees may engage in advertising, marketing and promotional activities anywhere.

We currently offer franchises to operate sushi bars under the name "Genji", which are similar to the franchised business offered in this Disclosure Document. As of the date of this Disclosure Document, there are 15 Genji sushi bars operated by our franchisees located in the United States and no Genji franchises located internationally. Genji sushi bars may solicit business and accept orders within your territory. Because franchisees may only solicit sales and orders, fulfill orders, and prepare and sell Products from their Mai Sushi Bar or Mai Satellite Sushi Bar and sell Products only to customers at their Mai Sushi Bar or Mai Satellite Sushi Bar within a Retail Location, we do not foresee conflicts with Genji sushi bars operated by franchisees relating to territory, customers or support. However, we will

work to resolve any conflicts that may arise. We do not plan to maintain separate offices or training facilities from the Genji franchise system at this time.

Our affiliate Hana Group Ops, LLC currently operates sushi bars under the name "Genji" which are similar to the franchised business offered in this Disclosure Document. As of the date of this Disclosure Document, there are 213 Genji sushi bars located in the United States owned and operated by Hana Group Ops, LLC and 11 Genji sushi bars located internationally owned and operated by Hana Group Ops, LLC. Genji sushi bars may solicit business and accept orders within your territory. Because you may only solicit sales and orders, fulfill orders, and prepare and sell Products from your Mai Sushi Bar or Mai Satellite Sushi Bars and sell Products only to customers at your Mai Sushi Bar or Mai Satellite Sushi Bars, we do not foresee conflicts with Genji sushi bars operated by Hana Group Ops, LLC relating to territory, customers or support. However, we will work with Hana Group Ops, LLC to resolve any conflicts that may arise. Hana Group Ops, LLC is located at the same principal business address as the franchisor. We do not plan to maintain separate offices or training facilities from Hana Group Ops, LLC at this time.

ITEM 13. TRADEMARKS

We grant you the right to operate your Franchised Business under the name Mai and to use all of the "Principal Trademarks" identified below in the operation of your Franchised Business. The term "Principal Trademarks" as used in this disclosure document means the symbols, trademarks, service marks, logos, emblems, trade names and indicia of origin that we will license to you. Our parent, Hana Group US, LLC, owns the Principal Trademarks and licenses to us the rights to use the Principal Trademarks and to sublicense the Principal Trademarks to our franchisees. The existing Principal Trademarks consist of what is indicated below.

The following is a description of our registered Principal Trademark:

PRINCIPAL TRADEMARK	REGISTRATION OR APPLICATION NUMBER	REGISTRATION OR APPLICATION DATE DATE
mai	Reg. #: 5,431,380	Reg. Date: March 27, 2018

All required affidavits for the Principal Trademarks have been filed. Our parent intends to file renewal applications for the Principal Trademarks at the times required by law. The Principal Trademarks are registered on the Principal Register of the United States Patent and Trademark Office.

There are no existing or pending material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrators of Pennsylvania

or any court. There are no pending infringement, opposition or cancellation actions nor any pending material litigation involving the Principal Trademarks.

The Franchise Agreement will require you to notify us of the use of or claims of rights to a Principal Trademark or a mark confusingly similar to a Principal Trademark licensed to you. We will take affirmative action as we deem necessary when notified of these uses or claims. We will remain in control of any such action, as well as any litigation, United States Patent and Trademark Office proceeding or other administrative proceeding arising out of any infringement, challenge or claim relating to the Principal Trademarks. We will indemnify and hold you harmless for any expense associated with a claim made against you relating to the use of the Principal Trademarks by you, unless the claim is based upon your misuse of the Principal Trademarks in a manner not permitted under the Franchise Agreement.

We know of no superior prior rights or infringing uses that materially affect your use of the Principal Trademarks in any jurisdiction. There are no agreements currently in effect that significantly limit our right to use or license the use of the Principal Trademarks in any manner material to your Franchised Business. We do not know of any pending, material state or federal court litigation regarding our use or ownership rights in the Principal Trademarks.

We reserve the right to modify or change the Principal Trademarks and compel you to accept and adopt such modifications or changes at your expense. If it becomes advisable at any time in our sole discretion for us and/or you to modify or discontinue use of the Principal Trademarks, and/or use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols, you must comply with our directions. Under your Franchise Agreement, you have no rights to seek reimbursement from us for your direct expenses of changing the signs or other materials of your Franchised Business, for any loss of revenue due to any modified or discontinued Principal Trademarks or for your expenses incurred in promoting a modified or substitute trade name, trademark service mark or other commercial symbol.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents (or pending patent applications) material to the operation of your Franchised Business. We claim copyright protection covering various materials used in our business and the development and operation of the Franchised Business including the Confidential Operating Manual, recipes, Advertising Materials, Social Media Materials and similar materials. We have not registered these materials with the U.S. Registrar of Copyrights but we are not required to do so. There are no currently effective determinations of the U.S. Copyright Office or any court or any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. We know of no superior rights or infringing uses that could materially affect your use of the copyrighted materials.

The Franchise Agreement will require you to notify us of the use of or claims of rights to the copyrighted materials. We will take affirmative action as we deem necessary when notified of these uses or claims. We will remain in control of any such proceeding. We will indemnify and hold you harmless for any expense associated with a claim made against you relating to the use of the copyrighted materials by you, unless the claim is based upon your use of the copyrighted materials in a manner not permitted

under the Franchise Agreement. We reserve the right to modify or change the copyrighted materials and compel you to accept and adopt such modifications or changes at your expense.

If you or your Owners (defined in the Franchise Agreement) develop any new concept, process, product or improvement in operating or promoting the Franchised Business, you must promptly notify us and provide us with any information, samples or instructions we request without charge. Such new concept, process, product or improvement will become our exclusive property if we approve it for use in the System. We may then freely distribute such concept, process, product or improvement to other franchisees without compensation to you.

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

We require that you or your Operating Principal personally supervise the day-to-day activities of the Franchised Business for a period of no less than thirty-six (36) hours per week. During all other times or if we permit you to not personally supervise the operations of the Franchised Business and you elect to do so, you will be required to employ a full-time manager who must be responsible on an exclusive basis for the on-premises supervision of the daily operations of the Franchised Business. Any person who supervises the operations of the Franchised Business must successfully complete the Initial Training Program and undergo any required supplemental training. All employees, including managers, must complete the ServSafe training program.

If you employ managers, your managers must be reasonably qualified to run an operation of this nature as determined in our sole discretion, but need not be an equity Owner of the Franchisee if the Franchisee is an entity.

We require that you appoint an Operating Principal who will serve as the principal contact with us. The Operating Principal will be the only individual that we will deal directly with and whose instructions and/or directions we will address. You may not replace the Operating Principal without our prior written consent.

The Franchisee or if the Franchisee is an entity, each shareholder, partner or member must sign a confidentiality and non-competition agreement (Exhibit 5 to the Franchise Agreement). If you are an entity, each shareholder, partner or member and their respective spouses must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for any breach of the Franchise Agreement. This guarantee is included as Exhibit 7 to the Franchise Agreement. If you are a natural person, we typically will not require your spouse to personally guarantee your obligations under the Franchise Agreement.

You must have each employee or independent contractor sign a confidentiality agreement (Exhibit 6 to the Franchise Agreement) before you grant access to the Confidential Operating Manual or any other confidential information in which he/she agrees to the confidentiality of the information, agrees not to use any information for his/her own benefit and agrees not to compete.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all Products and services that we periodically require as described herein, in the Franchise Agreement and as may be supplemented. You may not offer and sell any

Products and/or services that we have not specifically authorized. You must not deviate from our standards and specifications without our prior written consent. You will not engage in any activities that divert any business or customers to non-affiliated locations, including those owned by you. We may periodically eliminate certain Products and/or services, or add additional Products and/or services, in either case in our sole discretion and without the necessity of further notice to you. You must use your Mai Sushi Bar or Mai Satellite Sushi Bar solely for the operation of your Franchised Business, and you may only solicit sales and orders, fulfill orders, and prepare and sell Products from your Mai Sushi Bar or Mai Satellite Sushi Bar. You will not use your Mai Sushi Bar or Mai Satellite Sushi Bar for the sale or displaying of any items that promote illegal activity or any other product or service that we decide in our sole discretion may offend an appreciable segment of the public or may adversely affect the public's acceptance, favorable reputation or extensive goodwill associated with the Mai name, brands and Principal Trademarks.

You may only sell Products to customers at your Mai Sushi Bar or Mai Satellite Sushi Bar. You may not provide delivery services or offer for sale or sell any Products through channels of distribution other than through your Mai Sushi Bar or Mai Satellite Sushi Bar.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	Article III	Three (3) or five (5) years from the date you execute the Franchise Agreement.
b. Renewal or extension of the term	Article III	The franchise may be renewed for one additional consecutive three (3) or five (5) year term if the requirements are met.
c. Requirements for Franchisee to renew or extend	Article III	Renewal of the Franchise Agreement means signing our then-current franchise agreement, which may contain materially different terms and conditions than those contained in your original Franchise Agreement, permitting you to operate the Franchised Business for one additional consecutive three (3) or five (5) year term in accordance with such then-current franchise agreement. Requirements include, among others: (i) we must be offering a franchise for the Retail Location in which your Mai Sushi Bar operates; (ii) during the entire term of your Franchise Agreement you must have

Provision	Article in Franchise Agreement	Summary
		substantially complied with its terms; (iii) you must execute the then-current franchise agreement, which may have materially different terms than the Franchise Agreement; (iv) you must bring the Franchised Business into full compliance with our then- current standards, including but not limited to upgrading your Mai Sushi Bar and/or Mai Satellite Sushi Bars; (v) you must meet any new current training requirements; (vi) you must have satisfied all monetary obligations to us, our affiliates and/or Suppliers; (vii) you must execute a general release which includes us, our affiliates and all of their respective owners, officers, directors, agents and employees; (viii) you must give us not more than six (6) months and not less than two (2) months written notice; (ix) unless maintained by us, you must maintain all relevant licenses and permits necessary for the operation of the Franchised Business; (x) we must retain the right to continue to operate a Mai Sushi Bar at the Retail Location; and (xi) you must pay the successor agreement fee.
d. Termination by Franchisee	Article XIII	Subject to applicable state law, you may terminate your Franchise Agreement only with our written consent and provided that you provide us with 90 days prior written notice of your requested termination date; when terminated you will be required to pay all outstanding obligations which may include payment of liquidated damages.
e. Termination by Franchisor without cause	Article XIII	We will not terminate your Franchise Agreement without cause except that if the Vendor Agreement for your Retail Location for your Mai Sushi Bar expires or is terminated, we may terminate your Franchise Agreement. We may terminate the amendment to your Franchise Agreement for the operation of a Mai Satellite Sushi Bar without cause.
f. Termination by	Article XIII	Each of your obligations under the Franchise

Provision	Article in Franchise Agreement	Summary
Franchisor with cause		Agreement is a material and essential obligation, the breach of which may result in termination. We may terminate your Franchise Agreement if you default under the Franchise Agreement or any other agreement with us, our affiliates or other Suppliers.
g. "Cause" defined –curable defaults	Article XIII	Curable defaults, which must be cured on ten (10) days' written notice, unless stated otherwise in the Franchise Agreement or as otherwise provided by law, including (i) failure to maintain required insurance, which must be cured on three (3) days' written notice; (ii) failure to maintain licenses or certificates; (iii) non-payment within time period required; (iv) failure to provide reports and information when required; (v) failure to transfer upon death or disability; (vi) failure to develop, open and operate the location within time period required; (vii) failure to complete training; (viii) abandonment of business; (ix) failure to remodel your Mai Sushi Bar; (x) failure to comply with laws; (xi) failure to meet any other obligation of the Franchise Agreement, the Confidential Operating Manual or otherwise established in writing by us; (xii) you, your affiliates or your guarantors default in any other agreement with us, our affiliates or any Supplier and such default is not cured with the time permitted; (xiv) refuse to operate a Mai Satellite Sushi Bar if we require you to do so; (xv) underreporting Gross Sales; and (xvii) the failure of a quarterly food safety audit and a first food safety re-audit.
h. "Cause" defined – non-curable defaults	Article XIII	Non-curable defaults include, among others: (i) material false statements or reports; (ii) unauthorized business activity; (iii) conviction or no contest plea to a felony or certain other crimes; (iv) engaging in dishonest or unethical conduct which adversely affects our reputation or goodwill; (v) failure to pay when due federal or state income, service, sales or other taxes; (vi)

Provision	Article in Franchise Agreement	Summary
		repeated events of default; (vii) insolvency or bankruptcy; (viii) operating at a risk to public safety or health; (ix) breach of requirements relating to proprietary information or the Principal Trademarks; (x) an unauthorized transfer of the Franchise Agreement or an ownership interest in the Franchisee or of the Franchised Business; (xi) an unauthorized relocation or attempt to relocate your Mai Sushi Bar; (xii) failure to comply with the Confidentiality, Non-Use and Non-Competition Agreement or refrain from copying, duplicating, recording or otherwise reproducing the Confidential Operating Manual; (xiii) loss of the right to operate a Mai Sushi Bar at the Retail Location; (xiv) failure to follow the recipes, use the required ingredients or obtain ingredients and goods from Suppliers, as required; and (xv) failure to pass a credit and criminal background check.
i. Franchisee's obligations on termination/ nonrenewal	Article XIII	Obligations may include: (i) you must pay all sums Owed including any Royalty, Brand Fund Contributions or other fees, all outstanding obligations, liquidated damages, expenses, attorney's fees incurred as a result of your default; (ii) cease to be a franchisee; (iii) cease operating the Franchised Business or any other business under the Principal Trademarks or confusingly similar marks; (iv) refrain from representing to the public that you are or were a Mai franchisee; (v) refrain from using in advertising marketing, promotion or in any manner, any methods, procedures or techniques associated with the System; (vi) cancel any assumed name that contains Mai, within fifteen (15) days; (vii) de-identify the Franchised Business by making all physical changes to the location including trade dress, décor, physical characteristics, color combination, signage, uniforms, etc. necessary to assure that customers do not believe the business is part

Provision	Article in Franchise Agreement	Summary
		of the System including returning any signs to us. (At our request we are permitted, as provided by the Franchise Agreement, to enter the Retail Location at any time to make required changes at your risk and expense without liability of trespass or to take over operations of a Mai Sushi Bar at the Retail Location); (viii) cease using and return to us the following: the Confidential Operating Manual, training materials, proprietary software, database material, customer lists, records, files, instructions, forms, Advertising Materials, Social Media Materials and related items which bear the Principal Trademarks, all trade secrets and confidential materials, and any copies, equipment and other property owned by us or our affiliates; (ix) cease using any telephone numbers, website addresses, URLs, domain names, email addresses, Social Media Platform accounts and other similar listings associated with your Mai Sushi Bar; (x) transfer to us all customer lists and any customer data in whatever form, maintained by you; (xi) comply with the Confidentiality, Non-Use and Non-Competition Agreement and all other post-term covenants; (xii) permit us to enforce our rights as a secured party, if applicable; and (xiii) provide us with evidence of your compliance with your post-termination obligations.
j. Assignment of contract by Franchisor	Article IX	We have the right to transfer or assign the Franchise Agreement to any person or entity including a competitor, without restriction.
k. "Transfer" by Franchisee defined	Article IX	Includes the sale, assignment, gift, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Franchised Business or you (if the Franchisee is a business entity).
l. Franchisor approval of transfer by Franchisee	Article IX	You may not transfer any interest in the assets of the Franchised Business or you (if Franchisee is a business entity) within the first two years of signing the Franchise

Provision	Article in Franchise Agreement	Summary
		Agreement. After the period of two years from the signing of the Franchise Agreement has expired, you must obtain our prior written consent before transferring any interest in the assets of the Franchised Business or you (if the Franchisee is a business entity).
m. Conditions for Franchisor approval of transfer	Article IX	Conditions include: (i) notifying us of the proposed transfer and providing us with the terms of the proposed transfer; (ii) transferee must possess sufficient business experience and financial resources to operate the Franchised Business; (iii) payment of all debts and obligations to us, our affiliates and third- party vendors and curing any breach of the Franchise Agreement or any other agreement between you and us or our affiliates; (iv) you must have satisfied all obligations under the Franchise Agreement or any other agreement between you and us, our affiliates, and any Supplier; (v) transferee must not have an ownership interest in a competing business; (vi) transferee must attend the then-current initial training program and pay the then-current training rate, which as of the date of this document is $2,000 per person, plus our costs and expenses to provide the initial training program at the location of your Franchised Business or an alternate location, and complete all other required training programs; (vii) the Retail Operator consents to the assignment; (viii) transferee must enter then-current franchise agreement, pay our then-current initial franchise fee and comply in all respects with all of our requirements; (ix) transferee must upgrade the Mai Sushi Bar to our then-current standards; (x) transferee agrees that Franchisor is not responsible for any representations not included in disclosure document; (xi) you must pay the transfer fees indicated in Item 6; (xii) execution of a general release including us, our affiliates and all of our respective

Provision	Article in Franchise Agreement	Summary
		owners, officers, directors, agents and employees; (xiii) we determine that the terms of the purchase will not adversely affect the operation of the Franchised Business; (xiv) if transferee finances the purchase, transferee agrees that its financing obligations are subordinate to any amounts due according to the Franchise Agreement; (xv) you will not identify yourself as a Mai franchisee; (xvi) you must comply with all other applicable transfer requirements designated in the Confidential Operating Manual or otherwise in writing; (xvii) we determine that the terms of the transfer are substantially the same as those offered to us pursuant to our right of first refusal; (xviii) transferee must sign any personal guarantees required; (xix) transferee must pass credit and criminal background check; and (xx) the transfer must include the transfer of all Mai Satellite Sushi Bars operated by you. Under no circumstances will you be permitted to transfer any interest in the assets of the Franchised Business or you (if you are an entity) within the first two years of signing the Franchise Agreement.
n. Franchisor's right of first refusal to acquire Franchisee's business	Article X	Within thirty (30) days after notice, we have the option to purchase the transferred interest on the same terms and conditions offered by a third-party except for transfers among current owners of franchisee or to a legal entity wholly owned by you.
o. Franchisor's option to purchase Franchisee's business	Article X	Other than assets on termination, nonrenewal or right of first refusal, we have no right or obligation to purchase your business.
p. Death or disability of Franchisee	Article IX	Upon death or permanent disability of Franchisee (or its Operating Principal) distributee must be approved by us or interests must be transferred to someone approved by us within six (6) months after death or notice of permanent disability. We are permitted to take possession of your Mai

Provision	Article in Franchise Agreement	Summary
		Sushi Bar and any Mai Satellite Sushi Bars and operate them for an additional fee. See Item 6.
q. Non-competition covenants during the term of the franchise	Article VIII and Exhibit 5	Subject to applicable state law, you and your Owners are prohibited from operating or having an interest a competing business wherever located and operating. Subject to applicable state law, you and your Owners are prohibited from employing or seeking to employ any person who is then employed, or who was employed within the immediately preceding twenty-four (24) months, by us or any Mai franchisee or developing, or otherwise directly or indirectly inducing such person to leave his or her employment without obtaining the employer's prior written permission.
r. Non-competition covenants after the franchise is terminated or expires	Article VIII and Exhibit 5	Subject to applicable state law, covenants include that you and your Owners are prohibited for two (2) years from the latter of the termination or expiration of the Franchise Agreement, transfer of the Franchised Business, or the date of any final, non-appealable order enforcing these covenants from: (i) operating or having an interest in a competing business located or operating (A) from the location of your Mai Sushi Bar and/or Mai Satellite Sushi Bar(s); (B) within ten (10) miles of your Mai Sushi Bar and/or Mai Satellite Sushi Bar(s); (C) within ten (10) miles of the location of any other Mai Sushi Bar and/or Mai Satellite Sushi Bar owned, in operation, under development or to be developed as of the date of your Franchise Agreement; (D) within ten (10) miles of the location of any other Mai Sushi Bar and/or Mai Satellite Sushi Bar owned, in operation, under development or to be developed as of the date of termination or expiration of the Franchise Agreement or the transfer of your Franchised Business; or (E) within ten (10) miles of the location of any other Mai Sushi Bar and/or Mai Satellite

Provision	Article in Franchise Agreement	Summary
		Sushi Bar owned, in operation, under development or to be developed as of the date of any final non-appealable judgment or order of any court, arbitrator, panel or arbitrator or tribunal that enforces the non-competition, non-use and confidentiality provisions of your Franchise Agreement; or (ii) employing or seeking to employ any person who is then employed, or who was employed within the immediately preceding twenty-four (24) months, by us or any Mai franchisee or developing, or otherwise directly or indirectly inducing such person to leave his or her employment without obtaining the employer's prior written permission.
s. Modification of the Franchise Agreement	Articles VI, VIII and XIX	You must comply with the Confidential Operating Manual as amended from time to time. The Franchise Agreement may not be modified unless mutually agreed to in writing, except to the extent that we may reduce the scope of covenants as provided by the Franchise Agreement.
t. Integration/ merger clause	Article XIX	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law and FTC regulations). No other representations or promises will be binding unless mutually agreed to. However, nothing in the Franchise Agreement or in any related agreement is intended to disclaim the Franchisor's representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Article XXII	All disputes must be submitted first to mediation in Allentown, Pennsylvania. This provision is subject to applicable state law.
v. Choice of forum	Article XXII	Subject to applicable state law, all disputes between the parties are to be brought exclusively in either a Pennsylvania state court in Allentown, Pennsylvania or in the United States District Court for the Eastern District of Pennsylvania, unless otherwise brought by us. All depositions in connection

Provision	Article in Franchise Agreement	Summary
		with any litigation between the parties will be held in the jurisdiction and venue indicated above. The choice of forum is subject to applicable law.
w. Choice of law	Article XXII	Subject to applicable state law, the laws of the Commonwealth of Pennsylvania govern the Franchise Agreement. However, if the Franchised Business is located outside of Pennsylvania and a provision of the Franchise Agreement is not enforceable under the laws of Pennsylvania but is enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of the state where the Franchised Business is located. The choice of law is subject to applicable law.

ITEM 18. PUBLIC FIGURES

We do not use any public figures to promote our System.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Reeta Ale Magar, 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106, (267) 264-2345, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20. OUTLET AND FRANCHISEE INFORMATION

Table 1 – System-wide Outlet Summary for Years ~~2021~~/2022/2023/2024:

Outlet Type	Year	Outlets at the Start of Year	Outlets at the End of Year	Net Change
~~Franchised~~	~~2021~~	~~46~~	~~44~~	~~-2~~
Franchised	2022	44	54	+10
	2023	54	76	+22
~~Company Owned[1]~~	~~2021~~ 2024	~~2~~76	~~2~~120	~~0~~+44
Company Owned[1]	2022	2	2	0
	2023	2	9	+7
~~Total Outlets~~	~~2021~~ 2024	~~48~~9	~~46~~3	~~-2~~-6
Total Outlets	2022	46	56	+10
	2023	56	85	+29
	2024	85	123	+38

[1]Company Owned locations are operated by Hana Group Ops, LLC, an affiliate of Franchisor.

Table 2 – Transfers of Outlets From Franchisees to New Owners (Other than Franchisor) for Years ~~2021~~/2022/2023/2024:

State	Year	Number of Transfers
~~Alabama~~	~~2021~~	~~0~~
Alabama	2022	0
	2023	0
~~California~~	~~2021~~2024	~~0~~1
	~~2022~~	~~0~~
	~~2023~~	~~0~~
~~Florida~~	~~2021~~	~~0~~
Florida	2022	1
	2023	1
~~Illinois~~	~~2021~~2024	~~0~~1
Illinois	2022	2
	2023	0
~~Indiana~~	~~2021~~2024	0
Indiana	2022	0
	2023	0
~~Louisiana~~	~~2021~~2024	~~0~~1
Michigan	2022	0
	~~2023~~	~~0~~
~~Michigan~~	~~2021~~	~~0~~
	~~2022~~	~~0~~
	2023	0
~~Minnesota~~	~~2021~~2024	~~4~~2

State	Year	Number of Transfers
Minnesota	2022	10
	2023	3
~~Nebraska~~	~~2021~~2024	0
Nebraska	2022	1
	2023	0
~~Nevada~~	~~2021~~2024	~~0~~2
Nevada	2022	0
	2023	0
~~Ohio~~	~~2021~~2024	~~0~~1
Ohio	2022	0
	2023	0
~~Oklahoma~~	~~2021~~2024	~~0~~2
Wisconsin	2022	0
	~~2023~~	~~0~~
~~Pennsylvania~~	~~2021~~	~~0~~
	~~2022~~	~~0~~
	~~2023~~	~~0~~
~~Washington~~	~~2021~~	~~0~~
	~~2022~~	~~0~~
	~~2023~~	~~0~~
~~Wisconsin~~	~~2021~~	~~0~~
	~~2022~~	~~0~~
	2023	1
~~Total~~	~~2021~~2024	~~4~~0
Total	2022	14
	2023	5
	2024	10

Table 3 – Status of Franchise Outlets for Years ~~2021/~~2022/2023/2024:

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other	Outlets at End of Year
~~Alabama~~	~~2021~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
Alabama	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
	2024	0	6	0	0	0	1	5
California	~~2021~~2022	3	0	0	0	0	0	3
	~~2022~~2023	3	0	0	0	0	0	3
	~~2023~~2024	3	0	0	0	0	0	3
~~Florida~~Colorado	~~2021~~2022	~~4~~0	0	0	0	0	0	~~4~~0

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other	Outlets at End of Year
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	1	1
Florida	2022	4	7	0	0	0	2	9
	2023	9	4	3	0	0	0	10
~~Illinois~~	~~2021~~2024	~~5~~10	~~0~~3	0	0	0	~~1~~0	~~4~~13
Hawaii	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Illinois	2022	4	2	0	0	0	0	6
	2023	6	3	0	0	0	1	8
~~Indiana~~	~~2021~~2024	~~2~~8	~~0~~5	0	0	0	~~0~~2	~~2~~11
Indiana	2022	2	0	0	0	0	0	2
	2023	2	3	0	0	0	0	5
	2024	5	3	0	0	0	1	7
~~Louisiana~~Iowa	~~2021~~2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
Kansas	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Louisiana	2022	0	1	0	0	0	0	1
	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
~~Michigan~~Maine	~~2021~~2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Michigan	2022	0	0	0	0	0	0	0
	2023	0	9	0	0	0	0	9
~~Minnesota~~	~~2021~~2024	~~23~~9	~~0~~5	~~0~~1	0	0	0	~~23~~13
Minnesota	2022	23	4	0	0	0	2	25
	2023	25	2	0	0	0	2	25
	2024	25	2	0	0	0	1	26
~~Nebraska~~Mississippi	~~2021~~2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
Missouri	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Nebraska	2022	0	1	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other	Outlets at End of Year
	2023	1	2	0	0	0	1	2
~~Nevada~~	~~2021~~2024	~~0~~2	~~0~~1	0	0	0	0	~~0~~3
Nevada	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
	2024	2	0	0	0	0	0	2
New	2022	0	0	0	0	0	0	0
~~Ohio~~	~~2021~~2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
North Dakota	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Ohio	2022	0	0	0	0	0	0	0
	2023	0	2	0	0	0	0	2
~~Oklahoma~~	~~2021~~2024	~~3~~2	~~0~~3	0	0	0	0	~~3~~5
Oklahoma	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
~~Pennsyl-vania~~	~~2021~~2024	~~1~~3	0	0	0	0	0	~~1~~3
Pennsyl-vania	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Texas	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3
Utah	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
~~Washing-ton~~	~~2021~~2024	~~3~~0	~~1~~7	~~2~~0	0	0	~~0~~2	~~2~~5
Virginia	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	1	1
Washing-ton	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	2	0
~~Wisconsin~~ West Virginia	~~2021~~2022	~~1~~0	0	0	0	0	0	~~1~~0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Wisconsin	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	1	1
~~Total~~	~~2021~~2024	~~46~~1	1	~~2~~0	0	0	1	~~44~~1

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other	Outlets at End of Year
Total	2022	44	15	0	0	0	5	54
	2023	54	30	3	0	0	5	76
	2024	76	57	1	0	0	12	120

Table 4 – Status of Company-Owned Outlets for Years ~~2021/~~2022/2023/2024:

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Re-acquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
~~Colorado~~	~~2021~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
Colorado	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
~~Florida~~	~~2021~~2024	~~0~~1	0	0	0	~~0~~1	0
Florida	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
~~Michigan~~	~~2021~~2024	~~0~~1	~~0~~2	0	0	~~0~~1	~~0~~3
Michigan	2022	0	0	0	0	0	0
	2023	0	4	0	0	0	4
~~Ohio~~	~~2021~~2024	~~0~~4	0	0	0	~~0~~4	0
Ohio	2022	0	0	0	0	0	0
	2023	0	2	0	0	0	2
~~Pennsylv-ania~~	~~2021~~2024	2	0	0	0	~~0~~2	~~2~~0
Pennsylv-ania	2022	2	0	0	0	0	2
	2023	2	0	0	1	0	1
~~Total~~	~~2021~~2024	~~2~~1	0	0	0	0	~~2~~1
Total	2022	2	0	0	0	0	2
	2023	2	8	0	1	0	9
	2024	9	2	0	0	8	3

Table 5 - Projected Openings for next Fiscal Year as of June 30, ~~2023~~2024:

State	Franchise Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
~~Alabama~~	~~0~~	~~2~~	~~0~~

~~Kansas~~	~~0~~	~~2~~	~~0~~
~~Maine~~	~~0~~	~~2~~	~~0~~
~~Mississippi~~Florida	0	1	0
~~New Mexico~~Virginia	0	1	0
~~Texas~~**TOTAL**	0	2	0
~~Virginia~~	~~0~~	~~3~~	~~0~~
~~**TOTAL**~~	~~0~~	~~13~~	~~0~~

A list of all the names of all franchisees and the addresses and telephone numbers of their Franchised Businesses as well as a list of all the names, last known addresses and telephone numbers of every franchisee who has had a franchise agreement terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under the franchise agreement in our most recent fiscal year or who have not communicated with us within ten (10) weeks before the date of this disclosure document is attached to this disclosure document as Exhibit D. If you buy this Franchised Business, your contact information may be disclosed to other buyers when you leave this System.

Within the last three years, franchisees have signed confidentiality clauses with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the System. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We do not know of a trademark-specific franchisee organization associated with the System that is required or has been asked to be disclosed in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit E is our audited balance sheets as of June 30, ~~2023~~2024 and June 30, ~~2022~~2023, and related audited statements of income and member's equity and statements of cash flows for the years ended June 30, ~~2023~~2024, June 30, ~~2022~~2023 and June 30, ~~2021. On September 30, 2021, Mai Franchising, LLC changed its name to Hana Group Franchising, LLC~~2022. Hana Group Franchising, LLC does business under the name "Genji" and "Genji Franchising, LLC" and "Mai" and "Mai Franchising, LLC."

ITEM 22. CONTRACTS

The following agreements are attached to this disclosure document: (1) The Franchise Agreement; (2) Sublicense Agreement; (3) Satellite Amendment (4) General Release; (5) Confidentiality, Non-Use and Non-Competition Agreement; (6) Confidentiality, Non-Use and

Non-Competition Agreement Form; (7) Guarantee; (8) Equipment Lease Agreement (Sushi Robot); (9) Franchise Compliance Certification; and (10) State Amendments.

ITEM 23. RECEIPTS

See Exhibit H attached.

EXHIBIT A

AGENTS FOR SERVICE OF PROCESS/STATE ADMINISTRATORS

CALIFORNIA Department of Financial Protection and Innovation 320 West 4th Street Suite 750 Los Angeles, CA 90013 (213) 576-7500 (866) 275-2677 Agent: California Commissioner of Financial Protection and Innovation	MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Agent: Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
HAWAII Securities Examiner 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2744 Agent: Hawaii Commissioner of Securities	MICHIGAN Overnight mail: Michigan Department of Attorney General Consumer Protection Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48933 (517) 335-7567 Regular mail: Michigan Department of Attorney General Consumer Protection Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor P.O. Box 30213 Lansing, MI 48909 Agent: Michigan Department of Attorney General - Consumer & Regulatory Enforcement Bureau
ILLINOIS Franchise Division Office of Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465 Agent: Illinois Attorney General	MINNESOTA Minnesota Department of Commerce 85 7th Place East Suite 280 St. Paul, Minnesota 55101 (651) 539-1600 Agent: Minnesota Commissioner of Commerce

INDIANA Franchise Section Indiana Securities Division Secretary of State Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681 Agent: Indiana Secretary of State	NEBRASKA Nebraska Department of Banking and Finance 1200 N Street P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445
NEW YORK Administrator: NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 212-416-8222 Agent for Service: Secretary of State 99 Washington Avenue Albany, NY 12231 (518) 473-2492	SOUTH DAKOTA Division of Securities 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4823 Agent: Director of South Dakota Division Securities
NORTH DAKOTA North Dakota Securities Department 600 East Boulevard Avenue, State Capitol, Fifth Floor, Dept 414 Bismarck ND 58505-0510 Phone: 701-328-4712 Agent: Securities Commissioner	TEXAS Secretary of State P.O. Box 12887 Austin, Texas 78711
OREGON Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387 Agent: Director of Oregon Department of Insurance and Finance	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 Agent: Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733

RHODE ISLAND Division of Securities Suite 232 233 Richmond Street Providence, Rhode Island 02903 (401) 222-3048 Agent: Director of Rhode Island Department of Business Regulation	WASHINGTON Securities Administrator Washington State Department of Financial Institutions 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760 Agent: Securities Administrator, Director of Department of Financial Institutions
WISCONSIN Administrator Securities Division Department of Financial Institutions P.O. Box 1768 Madison, Wisconsin 53701 (608) 266-8559 Agent: Wisconsin Commissioner of Securities	CONNECTICUT State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230 Agent: Banking Commissioner

EXHIBIT B

FRANCHISE AGREEMENT AND RELATED MATERIALS

HANA GROUP FRANCHISING, LLC

d/b/a Mai Franchising, LLC

FRANCHISE AGREEMENT

TABLE OF CONTENTS

PAGE

I.	GRANT OF FRANCHISE AND LICENSE	2
II.	RETAIL LOCATION	4
III.	TERM AND RENEWAL	6
IV.	PAYMENTS TO FRANCHISOR	8
V.	DUTIES OF FRANCHISOR	12
VI.	DUTIES OF FRANCHISEE	21
VII.	CONFIDENTIAL INFORMATION	34
VIII.	COVENANTS	35
IX.	ASSIGNMENT AND TRANSFERS	~~39~~40
X.	RIGHT OF FIRST REFUSAL TO ACQUIRE FRANCHISEE'S BUSINESS	~~44~~45
XI.	PRINCIPAL TRADEMARKS AND COPYRIGHTED INFORMATION	46
XII.	RELATIONSHIP OF THE PARTIES	49
XIII.	DEFAULT AND TERMINATION	50
XIV.	UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)	56
XV.	WAIVER AND DELAY	57
XVI.	FRANCHISOR'S WITHHOLDING OF CONSENT: EXCLUSIVE REMEDY	57
XVII.	NOTICE OF FRANCHISOR'S ALLEGED BREACH AND RIGHT TO CURE; AND PERIOD TO BRING CLAIM	57
XVIII.	INJUNCTION	58
XIX.	INTEGRATION OF AGREEMENT	~~58~~59
XX.	NOTICES	59
XXI.	MISCELLANEOUS	60
XXII.	COSTS OF ENFORCEMENT; ATTORNEYS' FEES; GOVERNING LAW; JURISDICTION AND VENUE; CONSEQUENTIAL AND PUNITIVE DAMAGES; AND JURY WAIVER	61
XXIII.	GUARANTEE	63
XXIV.	SURVIVAL	64
XXV.	FRANCHISEE'S REPRESENTATIONS AND ACKNOWLEDGMENTS	64
XXVI.	SUBMISSION OF AGREEMENT	67

EXHIBITS

1. PRINCIPAL TRADEMARKS
2. SUBLICENSE AGREEMENT
3. SATELLITE AMENDMENT
4. GENERAL RELEASE
5. CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT
6. CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT FORM
7. GUARANTEE
8. EQUIPMENT LEASE AGREEMENT (SUSHI ROBOT)
9. FRANCHISE COMPLIANCE CERTIFICATION
10. STATE AMENDMENTS

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("AGREEMENT") IS MADE AND ENTERED INTO THIS _____ DAY OF _____ ("EFFECTIVE DATE"), BETWEEN HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC, A DELAWARE LIMITED LIABILITY COMPANY WITH ITS PRINCIPAL OFFICE AT 6390 HEDGEWOOD DRIVE, SUITE 300, ALLENTOWN, PA 18106 ("FRANCHISOR"), AND _____ A _____WHOSE PRINCIPAL ADDRESS IS _____("FRANCHISEE").

RECITALS

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money, has developed a distinctive, proprietary System (as hereinafter defined) relating to the establishment and operation of a business under the name Mai engaged in operating sushi bars and satellite sushi bars specializing in pre-packaged and made-to-order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items (the "Products").

WHEREAS, the distinguishing characteristics of the System include a unique layout, a special selection of Products which are prepared by using proprietary procedures, recipes and preparations (which may be changed from time to time), designated methods of operations, a training program, unique trade dress (including color schemes, patterns, design, décor and layout) and marketing and promotional programs and materials (the "System");

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, symbols, emblems and indicia of origin as are now designated and may hereinafter be designated by Franchisor in writing (the "Principal Trademarks") which are owned by Franchisor's parent, Hana Group US, LLC, and with whom Franchisor has entered into a perpetual license to use and license others to use the Principal Trademarks;

WHEREAS, Franchisor has obtained and seeks to obtain rights to locations in which to place Mai sushi bars and/or Mai satellite sushi bars that are typically contained within third-party supermarkets, grocery stores, hospitals, corporate cafeterias and other similar locations ("Retail Locations");

WHEREAS, a Mai sushi bar that has Products prepared on-site at the Retail Location is defined as a "Mai Sushi Bar" and a display and/or merchandising case, which contains pre- packaged Products with a Retail Location is defined as a "Mai Satellite Sushi Bar";

WHEREAS, for purposes of this Franchise Agreement, the business operated by a Mai Sushi Bar or a Mai Satellite Sushi Bar is hereinafter referred to as the "Franchised Business";

WHEREAS, Franchisee desires to obtain a franchise to operate and develop a business as a Mai Sushi Bar and operate one or more businesses as Mai Satellite Sushi Bars if the same are offered to Franchisee under this Franchise Agreement;

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high uniform standards of quality and service and the necessity of operating the Franchised Business in

conformity with Franchisor's standards, specifications, operating procedures and rules (the "System Standards"); and

NOW THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

I. GRANT OF FRANCHISE AND LICENSE

1.1 Grant

(a) Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee the right and license, and Franchisee accepts the right and obligation, to operate a Mai Sushi Bar under the Principal Trademarks (identified on Exhibit 1), in accordance with the System and the provisions of this Agreement within the Retail Location specified in the Sublicense Agreement (identified in Exhibit 2).

(b) Franchisor reserves the right to (i) offer to Franchisee the right to or (ii) require that Franchisee operate one or more Mai Satellite Sushi Bars located within a forty (40) mile radius of Franchisee's Mai Sushi Bar. Franchisor is under no obligation to offer to Franchisee the right to operate a Mai Satellite Sushi Bar regardless of the proximity of such Mai Satellite Sushi Bar to the Franchisee's Mai Sushi Bar. If Franchisor notifies Franchisee of an opportunity to operate a Mai Satellite Sushi Bar, Franchisee agrees to operate such Mai Satellite Sushi Bar if Franchisor describes the opportunity as mandatory and Franchisee may choose to operate such Mai Satellite Sushi Bar if Franchisor describes the opportunity as optional. If offered the right to operate a Mai Satellite Sushi Bar, Franchisee shall have ten (10) business days to accept the offer by delivering a written acceptance to Franchisor. If mandatory or if Franchisee accepts the offer to operate a Mai Satellite Sushi Bar, Franchisee agrees at its expense to: (i) execute a Satellite Amendment attached hereto as Exhibit 3; (ii) obtain all necessary products, services, promotional materials, training and if required, licensed personnel or equipment which is necessary to operate the Mai Satellite Sushi Bar; and (iii) begin operating the Mai Satellite Sushi Bar as soon as is possible in a commercially reasonable manner.

(c) Franchisee shall have no right or license to operate a Mai Sushi Bar or Mai Satellite Sushi Bar or to use the System or the Principal Trademarks to offer or sell any products or services through any channel of distribution except in accordance with this Agreement and any applicable Satellite Amendment.

1.2 Limitation of Grant

Franchisee agrees and acknowledges that this Agreement does not grant Franchisee any area, market, territory, franchise or other rights except as provided herein and Franchisor shall retain and may convey to any other any right not expressly granted to Franchisee herein.

1.3 Grant of License to Principal Trademarks

Franchisor hereby grants to Franchisee a limited and non-exclusive license to use the Principal Trademarks during the term of this Agreement subject to the terms, limitations and conditions of this Agreement and all quality control standards and requirements of Franchisor.

1.4 Products and Services Offered by the Franchisee

(a) General Requirements

Except to the extent otherwise provided in this Section, Franchisee agrees to offer, sell and furnish all current and future Products, Services, Ancillary Services, and Programs (as these terms are defined in subsections (b) and (c) below), and other programs and products which are part of the System and which Franchisor designates as mandatory in this Agreement, in the Confidential Operating Manual or otherwise in writing. Franchisee may not use the Mai® name or the Principal Trademarks for the benefit of any business other than the Franchised Business. Franchisee is prohibited from offering or selling any products, services, ancillary services or programs which are not a part of the System or which Franchisor deletes from the System, without Franchisor's prior written approval. Franchisee may not conduct (or permit anyone else to conduct) any business other than the business contemplated by this Agreement at or from the Mai Sushi Bar and any applicable Mai Satellite Sushi Bar without first obtaining Franchisor's written consent, which Franchisor is under no obligation to grant and which Franchisor may in Franchisor's sole discretion subsequently withdraw. If Franchisor permits Franchisee to furnish, offer or sell any product, service, ancillary service or program which is not a part of the System, then Franchisor has the right to set conditions for this approval, including without limitation: (i) requirements that Franchisee inform the public (in the manner that Franchisor requires) that such products, services, ancillary services or programs are not associated with the Principal Trademarks and/or are not endorsed or offered by Franchisor, its affiliates and/or Mai franchisees; (ii) the right to withdraw consent to the products, services, ancillary services or programs, in which event Franchisee shall immediately cease and desist all activities with respect to these products, services, ancillary services or programs; (iii) that any such products, services, ancillary services or programs may, in Franchisor's sole discretion, be incorporated into the System and be used by Franchisor as Franchisor's property without restriction or compensation to Franchisee; and (iv) Franchisee's waiver and release of any proprietary rights Franchisee may have to the products, services, ancillary services or programs.

(b) The Products

This Agreement authorizes Franchisee to offer and sell the Products. At all times, Products shall be prepared on-site at Franchisee's Mai Sushi Bar. In the event that Franchisee operates one or more Mai Satellite Sushi Bars, Franchisee shall prepare the Products at its Mai Sushi Bar and shall transport Products for sale to its Mai Satellite Sushi Bars, in accordance with federal, state and local health requirements for safe transport of Products. Franchisee must sell and offer for sale all Products, services and programs required by Franchisor in the manner and style required by Franchisor. Franchisee must discontinue selling and offering for sale any Products, services and programs that Franchisor disapproves in writing at any time.

(c) Ancillary Products, Services and Programs

Franchisor reserves the right to extend the System into other areas of business. Franchisor is under no obligation to offer to Franchisee those additional products, services, ancillary services or programs if and when they are established ("Ancillary Products, Services and Programs"). If Franchisor notifies Franchisee of new Ancillary Products, Services and Programs to be included in the Franchised Business by separate notice or by a revised Confidential Operating Manual, Franchisee agrees to offer such Ancillary Products, Services and Programs if Franchisor describes them as mandatory and Franchisee may choose to offer such Ancillary Products, Services and Programs if Franchisor describes them as optional. If mandatory, Franchisee agrees at its expense to: (i) obtain all necessary products, services, promotional materials, training and if required, licensed personnel or equipment which Franchisor advises Franchisee is necessary to offer the Ancillary Products, Services and Programs; and (ii) begin offering, selling, using and furnishing the Ancillary Products, Services and Programs as soon as is possible in a commercially reasonable manner after receipt of notice to that effect.

(d) Solicitation and Order Fulfillment

Franchisee may only solicit sales and orders, fulfill orders, and prepare and sell Products from its Mai Sushi Bars or Mai Satellite Sushi Bars. Franchisee may sell Products only to customers at its Mai Sushi Bars or Mai Satellite Sushi Bars. Franchisee may not provide delivery services or offer for sale or sell any Products through channels of distribution other than through its Mai Sushi Bar or Mai Satellite Sushi Bar. However, Franchisee may engage in advertising, marketing and promotional activities anywhere as long as sales of Products are only made from its Mai Sushi Bars or Mai Satellite Sushi Bars. Franchisor, its affiliates and its franchisees may engage in advertising, marketing and promotional activities anywhere, without restriction.

II. RETAIL LOCATION

2.1 Retail Location

(a) Franchisor shall enter into a vendor license agreement or similar agreement (a "Vendor Agreement") with a third-party operator ("Retail Operator") that gives Franchisor or its designee the right to operate a Mai Sushi Bar or a Mai Satellite Sushi Bar in a Retail Location. Franchisor shall have negotiated the terms of a Vendor Agreement with a Retail Operator before entering into this Agreement. Franchisee agrees and acknowledges that Franchisee is not a third-party beneficiary of the Vendor Agreement. Franchisee shall comply with the requirements of the Vendor Agreement and the Retail Operator at all times.

(b) Franchisee shall not enter into a lease or any other agreement with the Retail Operator in connection with the Retail Location.

(c) Franchisee's right to operate a Franchised Business is conditioned upon the right to operate a Mai Sushi Bar or Mai Sushi Satellite Bar, as applicable, at the Retail Location. If Franchisee's right to operate a Franchised Business at a Retail Location expires or is terminated, Franchisee may no longer operate the Franchised Business at the Retail Location. Franchisor does not guaranty, warrant or promise that Franchisor will find Franchisee another Retail Location from

which to operate the Franchised Business. Franchisor shall not be obligated to compensate Franchisee for the loss of the right to operate a Mai Sushi Bar at that Retail Location.

(d) If the Vendor Agreement for the Retail Location for Franchisee's Mai Sushi Bar expires or is terminated, Franchisor may terminate this Agreement.

(e) The Retail Operator of the Retail Location in which the Mai Sushi Bar is to be located may, but is not required to, build-out the Mai Sushi Bar. If the Retail Operator does not build-out the Mai Sushi Bar, Franchisee shall be required to build-out the Mai Sushi Bar in accordance with the Franchisor's standards and specifications and within a time period mutually agreed upon by the parties. If Franchisee operates a Mai Satellite Sushi Bar, the Retail Operator of the Retail Location in which the Mai Satellite Sushi Bar is to be located may, but is not required, to provide the display or merchandising case in which the Products are displayed. If the Retail Operator does not provide a display or merchandising case for Franchisee's Mai Satellite Sushi Bar, Franchisee shall be required to obtain a display or merchandising case in accordance with the Franchisor's standards and specifications and within a time period mutually agreed upon by the parties. Franchisee assumes all cost, liability, expense and responsibility for developing and equipping the Mai Sushi Bar and/or Mai Satellite Sushi Bar. Franchisee acknowledges and agrees that the development of the Franchisee's Mai Sushi Bar or Mai Satellite Sushi Bar is Franchisee's responsibility.

(f) Franchisor may, in its sole discretion, provide Franchisee with information about preliminary plans and layouts for the Retail Location in which the Mai Sushi Bar and/or Mai Satellite Sushi Bar will be located as well as sources of signage, equipment and/or furnishings, standards and specifications for all fixtures, improvements, and other products, services and related items.

~~(g) Franchisee agrees and acknowledges that Franchisor has not and does not represent, promise, warrant or guaranty that Franchisee's Mai Sushi Bar or Mai Satellite Sushi Bar will be profitable or successful at the Retail Location.~~

(g) ~~(h)~~ Franchisor may, in its sole discretion, visit Franchisee's Mai Sushi Bar prior to its opening and conduct an inspection without notice to Franchisee. Franchisor shall have the right to visit the Franchisee's Mai Sushi Bar and conduct an inspection subsequent to its opening without notice to Franchisee if Franchisor deems, in its sole discretion, such a visit is necessary.

2.2 Retention of Rights

Franchisor reserves for itself and its affiliates all rights not specifically granted to Franchisee. These rights include but are not limited to:

(a) Selling Products and enfranchising others to sell Products sold under any trade name, trademark or service mark (including the Principal Trademarks) at any location, including the Retail Location and non-traditional locations, and through any alternative channel of distribution, regardless of the vicinity to Franchisee's Mai Sushi Bar or Mai Satellite Sushi Bar. Alternative channels of distribution include sales of products or services through retail outlets, catalogs, direct marketing sales or through the internet; and

(b) Developing, implementing and participating in a co-branding program located anywhere regardless of whether any co-branded business is franchised or company-owned and regardless of which trade names, trademarks, or service marks are used in connection with the co-branded business, including but not limited to the Principal Trademarks.

2.3 Relocation

(a) Franchisee may not relocate its Mai Sushi Bar or Mai Satellite Sushi Bar without Franchisor's prior written approval. If Franchisor approves a new Retail Location, Franchisee may operate its Mai Sushi Bar or Mai Satellite Sushi Bar, as applicable, only from that Retail Location. If relocation is approved, Franchisee agrees to execute a new Sublicense Agreement to reflect the new Retail Location.

(b) Franchisee acknowledges and agrees that as a material condition of Franchisor's approval of Franchisee entering into any lease or other agreement in connection with the relocation of the Franchised Business, Franchisee and its Owners shall execute a General Release in a form attached as Exhibit 4 hereto, in favor of Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates.

(c) Under the Vendor Agreement, the Retail Operator may have the right to require that Franchisee's Mai Sushi Bar or Mai Satellite Sushi Bar be relocated to another area located within the Retail Location, at Franchisee's sole cost and expense. Franchisee agrees and acknowledges that Franchisor is not obligated to compensate Franchisee or reimburse Franchisee for any costs or expenses associated with relocating Franchisee's Mai Sushi Bar or Mai Satellite Sushi Bar to another area within the same Retail Location.

2.4 Potential Retail Location Selection

Franchisee will not be asked nor permitted to find potential Retail Locations for Mai Sushi Bars or Mai Satellite Sushi Bars. In the event that Franchisee locates a potential Retail Location, Franchisee is required to provide Franchisor with the contact information for the Retail Operator of that Retail Location. Franchisor is not obligated to agree to place a Mai Sushi Bar or a Mai Satellite Sushi Bar at any potential Retail Location found by Franchisee. If Franchisor enters into an agreement with the Retail Operator, Franchisor is not obligated to offer to Franchisee the right to operate a Mai Sushi Bar or Mai Satellite Sushi Bar at that Retail Location. Franchisee agrees and acknowledges that Franchisor may offer that Retail Location to another franchisee or operate a Mai Sushi Bar or Mai Satellite Sushi Bar itself or through an affiliate.

III. TERM AND RENEWAL

3.1 Initial Term

The term of this Agreement shall commence on the Effective Date and shall expire on the sooner of: (a) the _____ anniversary of the Effective Date; or (b) upon the termination of this Agreement in accordance with the provisions hereunder.

3.2 Successor Agreement

(a) Franchisee shall have the right to enter into a successor agreement for this franchise at the expiration of the initial term for one (1) successive term of _____ years, commencing immediately upon the expiration (but not the termination) of this Agreement, provided that at the time the successor agreement is to be executed, all of the following conditions are met:

(i) Franchisor offers franchises for the Retail Location in which Franchisee's Mai Sushi Bar is located;

(ii) Franchisee (and its Owners) has, during the entire term of this Agreement, substantially complied with all its provisions;

(iii) Franchisee executes Franchisor's then-current form of franchise agreement, which may be materially different from this Agreement, including but not limited to the fee structure and other material terms;

(iv) at the time of notice as described below, Franchisee agrees in writing to bring the Franchised Business into full compliance with Franchisor's then-current specifications and standards (regardless of cost) for a Franchised Business. These requirements may include, but are not limited to, upgrading Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar(s), installing new equipment packages, updating the methods, procedures and services and upgrading the computer system. Franchisee shall commence such work as soon after notice is given as is commercially reasonable. Franchisee shall complete such work within three (3) months of executing the then-current form of franchise agreement;

(v) by the expiration of this Agreement, Franchisee has satisfactorily completed the then-current qualifications and training requirements;

(vi) Franchisee has satisfied all monetary obligations owed to Franchisor, its affiliates, and/or Suppliers (as defined herein) and has in a timely manner met those obligations throughout the term of this Agreement;

(vii) Franchisee and its Owners execute a General Release, in a form attached as Exhibit 4, of any and all claims against Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates;

(viii) Franchisee notifies Franchisor of its desire to enter into a successor agreement for this franchise not more than six (6) months and not less than two (2) months before this Agreement expires;

(ix) Unless maintained by Franchisor, Franchisee shall maintain all relevant licenses and permits necessary for the operation of the Franchised Business;

(x) at the time of executing the then-current franchise agreement, Franchisor must possess the right to continue to operate a Mai Sushi Bar at the Retail Location in which the Franchisee's Mai Sushi Bar is located; and

(xi) Franchisee shall pay Franchisor a successor agreement fee in an amount equal to $_____ and Franchisee agrees and acknowledges that Franchisee shall pay the successor agreement fee in addition to any Royalties and other fees which are due to Franchisor or its affiliates pursuant to this Agreement or any related agreement.

(b) Within thirty (30) days of its receipt of Franchisee's notice of Franchisee's desire to enter into a successor agreement for this franchise, Franchisor agrees to give Franchisee written notice ("Successor Notice") of Franchisor's decision:

(i) to grant Franchisee a successor franchise;

(ii) to grant Franchisee a successor franchise on the condition that Franchisee corrects existing deficiencies of the Franchised Business or in its operation of the Franchised Business;

(iii) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that it is not offering a franchise for the Retail Location in which Franchisee's Mai Sushi Bar is located; or

(iv) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that Franchisee and its Owners have not substantially complied with the provisions of this Section 3.2.

(c) If applicable, the Successor Notice will:

(i) describe the remodeling, expansion, improvements and/or modifications required to bring the Franchised Business into compliance with then-applicable specifications and standards for a new Franchised Business; and

(ii) state the actions Franchisee must take to correct operating deficiencies and the time period in which Franchisee must correct these deficiencies, which such time period shall not be less than thirty (30) days.

(d) If Franchisor elects to grant a successor franchise, Franchisee's right to acquire the successor franchise is subject to Franchisee's full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to its compliance with the obligations described in the Successor Notice.

(e) At its option, Franchisor may extend this Agreement's term for the time period necessary to give Franchisee either a reasonable time to correct deficiencies, execute a successor agreement, or to provide Franchisee with thirty (30) days' notice of Franchisor's refusal to grant a successor franchise.

(f) If Franchisee fails to notify Franchisor of its election to acquire a successor franchise within the prescribed time period, Franchisor need not grant Franchisee a successor franchise.

IV. PAYMENTS TO FRANCHISOR

4.1 Initial Franchise Fee

Franchisee shall pay to Franchisor an initial franchise fee of $ _____ upon execution of this Agreement. Franchisee acknowledges and agrees that the initial franchise fee is nonrefundable and fully earned upon payment and receipt by Franchisor.

4.2 Royalty, Retail Commission and Franchise Commission

(a) Franchisee shall not receive payments from customers for the sales of Products from its Franchised Businesses. Payments for Products will be made by customers directly to the Retail Operator in which the Mai Sushi Bar or Mai Satellite Sushi Bar, as applicable, is located through the cash register system operated by the Retail Operator.

(b) On a monthly basis, for each Mai Sushi Bar and Mai Satellite Sushi Bar Franchisee operates, the Vendor Agreement for the applicable Retail Location will permit the Retail Operator to calculate Franchisee's Gross Sales (as defined in Section 4.7 below) for the prior month and retain a percentage of Franchisee's Gross Sales for the prior month as its "Retail Commission." The Retail Commission rate varies by Retail Operator and Retail Location but it typically ranges between twenty percent (20%) and ~~twenty-eight~~thirty percent (~~28~~30%) of Gross Sales and will be deducted from Franchisee's Gross Sales for the prior month.

(c) On a monthly basis, for each Mai Sushi Bar and Mai Satellite Sushi Bar Franchisee operates, after each applicable Retail Operator retains its Retail Commission, it will remit the balance of the Gross Sales to the Franchisor by a date provided for in the Vendor Agreement. Franchisor will deduct the royalty due Franchisor (the "Royalty") from that amount. The Royalty rate is a percentage equal to ~~forty~~forty-five percent (~~40~~45%) less the Retail Commission rate. For example, if the Retail Commission rate is ~~twenty-five~~thirty percent (~~25~~30%), then the Royalty rate is fifteen percent (15%). The Royalty amount that Franchisor shall deduct from Franchisee's Gross Sales will be an amount equal to the Royalty rate times Franchisee's Gross Sales for the prior month.

(d) The term "Franchise Commissions" shall mean the amount remaining from the Franchisee's Gross Sales from each Mai Sushi Bar and Mai Satellite Sushi Bar Franchise operates less the Retail Commissions and the Royalties. The Franchise Commissions shall equal ~~sixty~~fifty-five percent (~~60~~55%) of Franchisee's Gross Sales.

(e) Franchisee agrees and acknowledges that the Retail Commission rate and the Royalty rate may differ for each Mai Sushi Bar and/or Mai Satellite Sushi Bar Franchisee operates depending on the terms and conditions of each Vendor Agreement, except that the total of the Retail Commission rate and the Royalty rate will be ~~forty~~forty-five percent (~~40~~45%) of Franchisee's Gross Sales.

4.3 Brand Fund Contribution

Franchisor reserves the right to establish a separate fund for the purpose of conducting advertising, marketing and promotional programs and for using Social Media Platforms (defined as web

based platforms such as Facebook, Myspace, Twitter, LinkedIn, blogs and other networking and sharing sites) using Social Media Materials (defined as any material on any Social Media Platform that makes use of Franchisor's Principal Trademarks, name, brand, products, services or the Franchised Business whether created by Franchisor, Franchisee or any third-party) to enhance, promote and protect the goodwill and public image of the System ("Brand Fund"). In the event Franchisor establishes a Brand Fund, then beginning on the date Franchisor establishes the Brand Fund and continuing throughout the duration of this Agreement, Franchisee shall pay to the Brand Fund a continuing contribution ("Brand Fund Contribution") in an amount up to 1% percent of Franchisee's Gross Sales, as such percentage shall be determined by Franchisor in its sole discretion.

4.4 Payment of Royalty, Brand Fund Contributions and Other Fees

(a) Franchisor shall deduct from the Franchise Commissions Brand Fund Contributions, if any, and other charges due to Franchisor or an affiliate before remitting the balance of the Franchise Commissions to Franchisee. Typically, Franchisor shall remit the balance of the Franchise Commissions to Franchisee within two (2) weeks of Franchisor's receipt of monies from all Retail Operators for the prior month. Franchisor's obligation to remit Franchise Commissions to Franchisee is subject to Franchisor's receipt of payment from all Retail Operators who operate Retail Locations in which Franchisee operates a Mai Sushi Bar or Mai Satellite Sushi Bar. If after deducting the Royalty and all other charges due to Franchisor or an affiliate, there is a balance due to Franchisor or an affiliate, the balance will be deducted from Franchisee's next months' Franchise Commissions until the balance has been paid in full. Franchisee shall not be entitled to any portion of the Gross Sales or Franchise Commissions until after all deductions have been made and all charges due to Franchisor or an affiliate have been paid in full.

(b) Franchisee authorizes Franchisor to retain the balance of the Gross Sales after deduction of the Retail Commissions for purposes of payment of the Royalties, Brand Fund Contributions and other charges due to Franchisor or its affiliates before remitting the balance to Franchisee.

(c) Franchisor may require Franchisee to pay the Royalty, Brand Fund Contributions and other amounts due under this Agreement or otherwise by other reasonable means whenever Franchisor deems appropriate and Franchisee agrees to comply with Franchisor's payment instructions.

4.5 Other Fees and Payments

(a) Transfer Fees

In the event of any transfer of the Franchise Agreement and Franchised Business, the Franchisee shall pay a transfer fee if required, as defined in Section 9.3(a)(ix).

(b) Interest

Franchisee shall pay to Franchisor interest at a rate equal to the lesser of the daily equivalent of eight percent (8%) per year or the highest rate of interest allowed by law on all past due amounts.

(c) Accounting Fees

(i) Franchisor has the right to conduct an audit of the books and records of Franchisee, including all sales and income records and tax returns as provided herein. If Franchisor elects to conduct such audit, Franchisor will provide Franchisee with written notice ten (10) days prior to conducting the audit. The audit may be conducted by Franchisor or other persons designated by Franchisor. Franchisor may conduct the audit in Franchisor's offices, Franchisee's offices or at a third-party provider's office. Franchisee may be required to send such records to such location as Franchisor may designate in its sole discretion. In the event Franchisee has failed to furnish reports, supporting reports or other information as required by Franchisor, Franchisor may elect to conduct an audit of the books and records of Franchisee and Franchisee shall pay the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and accounting and legal fees incurred by Franchisor;

(ii) If Franchisee has understated Gross Sales in any report or statement by:

(1) two percent (2%) or less, Franchisee will be required to immediately pay Franchisor the underreported amount plus interest within fifteen (15) days of written notice of the amount due;

(2) more than two percent (2%), Franchisee will be required to immediately pay Franchisor the underreported amount plus interest along with the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and accounting and legal fees incurred by Franchisor within fifteen (15) days of written notice;

(3) more than two percent (2%), in addition to subsection 4.5(c)(ii)(2) above, Franchisor may, in its sole discretion, require Franchisee to provide periodic audited statements to Franchisor; or

(4) more than five percent (5%), Franchisor may terminate this Agreement pursuant to the terms of Section 13.5 hereof.

(d) Data Fee

Franchisor shall have the right to charge you a monthly data fee at Franchisor's standard rates in connection with your use of a required label machine, scale and printer at the location of your Franchised Business.

(e) Late Fee

In the event Franchisee fails to make timely payment to Franchisor of any sums due, in addition to such owed funds, Franchisee shall pay Franchisor a late fee of $25 for each day said sums are not paid to Franchisor.

(f) Reimbursement of Costs and Expenses

If after notice, Franchisee fails to cure any deficiency in the Franchised Business and/or its operation of the Franchised Business, Franchisor may, in its sole discretion, correct the deficiency. If

Franchisor elects to correct the deficiency, Franchisee shall reimburse Franchisor for Franchisor's costs and expenses incurred in correcting the deficiency. If Franchisor and/or its affiliates commence any action against any individual to enforce the terms of any Confidentiality, Non-Use and Non-Competition Agreement or any similar covenants contained in this Agreement, Franchisee and its Owners agree to pay all costs and expenses, including attorneys' fees, expert fees, court costs and all other expenses of litigation that Franchisor or its affiliates incur to secure.

(g) Post-Termination or Post-Expiration Expenses.

Upon termination or expiration of this Agreement for any reason, Franchisor will have the right but not the obligation to modify, alter or de-identify the Franchised Business. In the event that Franchisor modifies, alters or de-identifies the Franchised Business, Franchisee shall reimburse Franchisor for its costs and expenses for modifying, altering or de-identifying the Franchised Business.

4.6 Application of Payments

Franchisee acknowledges and agrees that Franchisor may apply payments received to amounts due and payable in the order Franchisor determines, in its sole discretion. Unless otherwise provided, all fees and other amounts due to Franchisor hereunder shall be paid in a manner designated by Franchisor in the Confidential Operating Manual or otherwise in writing by Franchisor and such payments shall be accompanied by a statement setting forth in reasonable detail the basis for the computation.

4.7 Gross Sales

The term "Gross Sales" is defined to mean all revenue from the sale of all Products and services related to the Mai Sushi Bar or Mai Satellite Bar, as applicable, in whatever form and from whatever source, whether for cash, credit, in kind from barter and/or exchange, and regardless of collection in the case of credit all without deduction for expenses including marketing expenses and taxes. However, the definition of Gross Sales does not include sales tax that is collected from customers and actually transmitted to the appropriate taxing authorities.

V. DUTIES OF FRANCHISOR

5.1 Confidential Operating Manual

(a) Franchisor will loan Franchisee its Confidential Operating Manual, handbooks and other related materials, which may be amended from time to time by Franchisor during the term of this Agreement. The Confidential Operating Manual may consist of written materials, compact disks, computer software, electronic media, audiotapes, videotapes and digital video disks. The Confidential Operating Manual is designated a trade secret, is confidential, copyrighted and subject to the confidentiality agreements annexed hereto as Exhibit 5 (the "Confidentiality, Non- Use and Non-Competition Agreement") and Exhibit 6 (the "Confidentiality, Non-Use and Non- Competition Agreement Form").

(b) The Confidential Operating Manual describes the System Standards that Franchisor periodically prescribes for operating the Franchised Business and information on some of

Franchisee's obligations under this Agreement. Franchisee agrees to keep its copy of the Confidential Operating Manual current and in a secure location.

(c) Franchisee acknowledges that Franchisee will not disclose the Confidential Operating Manual in whole or in part, except as provided herein and in accordance with the Confidentiality, Non-Use and Non-Competition Agreement (Exhibit 5), the Confidentiality, Non-Use and Non-Competition Agreement Form (Exhibit 6) and Section 8.1 below. Franchisee shall not copy, duplicate, record or otherwise reproduce the Confidential Operating Manual in whole or in part. In the event Franchisee copies, duplicates, records or otherwise reproduces the Confidential Operating Manual in whole or in part or otherwise is in default under the Confidentiality, Non- Use and Non-Competition Agreement, then Franchisor shall have the right to terminate this Agreement in accordance with Article XIII.

(d) If Franchisee's copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee agrees to obtain a replacement copy of the Confidential Operating Manual at Franchisor's then-current fee, which as of the Effective Date is $250.

5.2 Training Program

(a) Franchisee acknowledges and agrees that for Franchisee's first Mai Sushi Bar only, Franchisee, or if Franchisee is an entity, its managing shareholder, member or partner who owns a majority of the voting and ownership interests in the Franchisee entity (the "Operating Principal") is required to attend and complete, to Franchisor's satisfaction, Franchisor's initial training program (the "Initial Training Program"). Franchisor does not require Franchisee's managers, employees or owners (other than the Operating Principal) to complete the Initial Training Program. However, Franchisee may request that its managers, employees or owners (other than the Operating Principal) attend the Initial Training Program and Franchisor may agree to provide the Initial Training Program to such individuals. Franchisor shall make available to Franchisee instructors and training materials for the Initial Training Program. All training materials provided are the property of Franchisor and are copyrighted.

(b) Franchisor charges a fee of $2,000 to provide the Initial Training Program to the Franchisee or its Operating Principal at the location of the Franchised Business or an alternate location that Franchisor agrees to. For each additional person who attends the Initial Training Program, Franchisor will charge a fee of $1,500 per person. Additionally, Franchisee acknowledges and agrees that Franchisee shall pay or reimburse Franchisor for all costs and expenses Franchisor incurs to provide the Initial Training Program to Franchisee or Franchisee's managers, employees or owners (including the Operating Principal) (including travel, room and board and living expenses of Franchisor's personnel and the rental of kitchen facilities (if we agree to provide the Initial Training Program at a location other than the location of your Franchised Business)). Franchisee shall pay for all travel, room and board, living expenses, employee wages and workers' compensation insurance for Franchisee and Franchisee's managers, employees and owners (including the Operating Principal) who attend the Initial Training Program. In addition, prior to commencing the Initial Training Program, Franchisor may require to Franchisee to pass a credit and criminal background check, and Franchisee shall pay or reimburse Franchisor for the third-party fees incurred to perform such credit and criminal background check.

(c) If Franchisor determines that Franchisee or its Operating Principal cannot complete the Initial Training Program or Franchisee or its Operating Principal fails to pass a credit and criminal background check, in each case to Franchisor's satisfaction, Franchisor may terminate this Agreement as provided in Section 13.5(f).

(d) The Initial Training Program will consist of approximately five (5) to twelve (12) days (although the specific number of days depends on Franchisor's opinion of the experience and needs of Franchisee or its Operating Principal) and will be conducted between one (1) week to two (2) weeks prior to the date the Franchised Business is scheduled to commence operating.

(e) Franchisor reserves the right to require Franchisee or its Operating Principal and/or previously trained employees to attend and complete, to Franchisor's satisfaction, training courses that Franchisor either periodically chooses to provide or otherwise may require for such Franchisee or its Operating Principal and/or previously trained employees at the times and locations that Franchisor designates, including the Franchisor's offices or on-site at Franchisee's Mai Sushi Bar. In the event Franchisor provides additional or supplemental training, Franchisor shall have the right to charge Franchisee the then-current supplemental training fee for such training, which as of the date of this Franchise Agreement is $500 per day. Franchisee shall pay for all travel, room and board, living expenses, employee wages and workers' compensation insurance for Franchisee's employees during the supplemental training period. Additionally, Franchisee shall pay or reimburse Franchisor for all costs and expenses Franchisor incurs to provide any supplemental training to Franchisee or Franchisee's managers, employees or owners (including the Operating Principal) (including travel, room and board and living expenses of Franchisor's personnel and the rental of kitchen facilities (if we agree to provide the supplemental training in-person at a location other than the location of your Franchised Business)).

(f) Franchisor may, in its sole discretion, provide Franchisee with periodic guidance regarding the operation of the Franchised Business. This periodic guidance may be provided individually or in a group setting and may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by Franchisor.

(g) Franchisee understands and agrees that any specific ongoing training or advice Franchisor provides does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which Franchisor may discontinue and modify from time to time.

(h) In addition to the Initial Training Program and any mandatory additional training required by Franchisor, Franchisee, its Operating Principal and all of Franchisee's employees must complete a ServSafe training program. Each Mai Sushi Bar is required to have at least one (1) ServSafe certified person on duty at all times. Currently, the ServSafe training program is provided by third-parties but Franchisor reserves the right to provide the ServSafe training program in the future. Currently, the cost for the ServSafe training program is approximately between $100 and $300 per person. Typically, there is also a $50 per person re-testing fee if a trainee fails to pass the ServSafe test. The ServSafe training program is approximately two (2) days. Franchisee shall pay for all travel, room and board, living expenses, employee wages and workers' compensation insurance for Franchisee's employees while attending the ServSafe training program. Upon demand

by Franchisor, Franchisee shall be required to provide written proof of completion of ServSafe training by Franchisee, its Operating Principal and all employees.

5.3 Suppliers

(a) Franchisor may require Franchisee to purchase certain products, equipment, goods, services, supplies, materials, computer hardware and software and other items necessary to operate the Franchised Business, including but not limited to cooked food items, packaged food items, grains, condiments, and utensils, exclusively from Suppliers (defined as designated or approved suppliers, vendors, manufacturers, printers, contractors and distributors who demonstrate to Franchisor's continuing reasonable satisfaction the ability to meet Franchisor's then-current standards), which may be established and modified in Franchisor's sole discretion. Franchisee agrees and acknowledges that Suppliers may include Franchisor and its affiliates.

(b) Franchisor may, in its sole discretion, provide Franchisee with a list of Suppliers for certain products, equipment, goods, services, supplies, materials, computer hardware and software and other items necessary to operate the Franchised Business. Franchisor may, in its sole discretion, revise the approved list of Suppliers from time to time as Franchisor determines, in its sole discretion.

(c) Franchisee acknowledges and agrees that Franchisor may also limit the sources of required certain products, equipment, goods, services, supplies, materials, computer hardware and software and other items to certain Suppliers, including Franchisor and/or its affiliates, in which case Franchisee will be required to acquire such certain products, equipment, goods, services, supplies, materials, computer hardware and software and other items only from those Suppliers. Franchisor may, in its sole discretion, require Franchisee to purchase certain products, equipment, goods, services, supplies, materials, computer hardware and software and other items exclusively from a certain Supplier which may be Franchisor or its affiliate, in which case Franchisee agrees and acknowledges that Franchisee will be required to purchase such designated products, equipment, goods, services, supplies, materials, computer hardware and software and other items only from that exclusive Supplier.

(d) In the event that Franchisee wants to independently source any products, equipment, goods, services, supplies, materials, computer hardware and software and other items necessary to operate the Franchised Business from a party other than a Supplier, Franchisee must obtain Franchisor's prior written approval. Approval of a proposed supplier, vendor, manufacturer, printer, contractor or distributor proposed by Franchisee as a source of products, equipment, goods, services, supplies, materials, computer hardware and software and other items ("Proposed Supplier") shall be granted or not in Franchisor's sole discretion. Franchisor is under no obligation to evaluate any Proposed Supplier and Franchisor may decline to evaluate any Proposed Supplier.

(e) If Franchisor elects to evaluate a Proposed Supplier, Franchisee must provide Franchisor with all information and product samples adequate to evaluate the Proposed Supplier. Additionally, Franchisor shall have the right to require that Franchisor's representatives be permitted to inspect the Proposed Supplier's facilities.

(f) In the event Franchisor evaluates Franchisee's Proposed Supplier, Franchisor shall consider the following factors in its evaluation: (i) whether the products and customer service provided by the Proposed Supplier meet Franchisor's specifications and standards, including standards for quality control, sanitation, financial stability and compliance with government regulations; (ii) the reputation of the Proposed Supplier for quality and reliability; (iii) the frequency and method of delivery; (iv) the competitiveness of pricing offered; and (v) whether the products add anything to the range of Products offered or are redundant of existing approved Products.

(g) Franchisor will impose a fee to evaluate and/or test a proposed product and/or Proposed Supplier in an amount necessary to reimburse Franchisor for its actual costs to evaluate and test the proposed product and/or Proposed Supplier. Franchisee or the Proposed Supplier must pay to Franchisor prior to its evaluation of the proposed product and/or Proposed Supplier, a fee of $500 per product item plus Franchisor's actual costs for evaluation and/or testing. Franchisor's actual costs may include costs of travel to a production facility located within the United States or outside of the United States.

(h) In the event Franchisor evaluates Franchisee's Proposed Supplier, Franchisor shall provide Franchisee with written notification of Franchisor's approval or disapproval of the Proposed Supplier within sixty (60) days of Franchisor's receipt of all information and product samples necessary to evaluate the Proposed Supplier. Franchisee may not sell or offer for sale any products from a Proposed Supplier until Franchisee receives written approval of the Proposed Supplier from the Franchisor. Franchisor may revoke its prior approval upon written notice to Franchisee. Upon Franchisee's receipt of notice of such revocation, Franchisee must immediately stop selling any disapproved products and stop purchasing from any disapproved supplier. If approved, Franchisee's Proposed Supplier shall be thereafter deemed a Supplier for purposes of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates.

(i) Franchisor and its affiliates reserve the right to receive rebates, overrides or other consideration on account of Franchisee's purchases from any Supplier. Franchisor and its affiliates are not obligated to provide Franchisee with any material benefit as a result of receiving such rebate, override or other consideration from any approved Supplier. Franchisee acknowledges and agrees that Franchisor and its affiliates have the right to collect any advertising, marketing, promotional or similar allowances paid by Suppliers who deal with the System and with whom Franchisor or its affiliates has an agreement to do so.

(j) Franchisor and its affiliates reserve the right to earn a profit on Franchisee's purchases from any Supplier which may include Franchisor and/or its affiliates.

5.4 Pre-Opening Support

Before Franchisee opens its Mai Sushi Bar for business, Franchisor shall provide the following assistance and services:

(a) Franchisor shall enter into a Vendor Agreement with a Retail Operator for the operation of a Mai Sushi Bar within that Retail Operator's Retail Location. This Agreement will

grant to Franchisee the right to operate a Mai Sushi Bar in that specific Retail Location, subject to the requirements of the Vendor Agreement and Retail Operator.

(b) Franchisor will conduct the Initial Training Program in accordance with Section 5.2 herein.

(c) Franchisor or an affiliate shall provide Franchisee with an opening inventory of food items, smallwares, uniforms and supplies for a fee ranging between $7,500 and $20,000.

(d) Franchisor will loan to Franchisee a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions, in Franchisor's sole discretion.

(e) Franchisor will provide Franchisee with a copy of certain confidential recipes. Franchisee must prepare all Products in the exact manner and using the exact ingredients required by Franchisor in accordance with Franchisor's recipes. Franchisor may amend, revise and/or change its recipes and Franchisee will be required to comply with all such amendments, revisions and/or changes.

(f) Franchisor will establish and enforce standards and specifications for the System, which Franchisor may enforce in its sole discretion.

(g) Franchisor shall specify minimum policy limits for certain types of insurance coverage. Franchisee shall submit for Franchisor's approval, which shall not be unreasonably withheld, any insurance policy prior to purchasing such policy. Franchisor may in its sole discretion, revise its insurance requirements for franchisees. Franchisor may in its sole discretion, require Franchisee to obtain additional or different insurance policies in accordance with Franchisor's then-current insurance requirements for Franchisees.

(h) Franchisor will design and make available to Franchisee business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as "Advertising Materials") and Social Media Materials used in the System. Franchisor may, in its sole discretion, conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials to promote the System. Franchisor may, in is sole discretion, provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms.

(i) Franchisor may, in its sole discretion, provide Franchisee with a list of approved Products, services and programs as revised from time to time.

(j) Franchisor may, in is sole discretion, provide Franchisee with on-site assistance in connection with its grand opening of its first Mai Sushi Bar.

(k) Franchisor may, in its sole discretion, review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the

right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time.

(l) Franchisor may, in its sole discretion, provide Franchisee with a list of Suppliers, as revised from time to time.

(m) Franchisor may, in its sole discretion, provide the ServSafe training program to Franchisee, its Operating Principal and its employees.

(n) Franchisor may, in its sole discretion, offer Franchisee the opportunity to lease a sushi robot from Franchisor for use solely in connection with the operation of its Franchised Business, pursuant to a separately-executed equipment lease agreement.

5.5 Post-Opening Support

Subsequent to Franchisee's opening of its Franchised Business location:

(a) Franchisor will remit Franchise Commissions to Franchisee after deductions are made for Retail Commissions, the Royalty and other charges due to Franchisor and its affiliates. Franchisor's obligation to remit Franchise Commissions to Franchisee is subject to Franchisor's receipt of payment from the Retail Operator.

(b) Franchisor shall invite Franchisee to attend meetings with Franchisor personnel and other Mai franchisees. If and when such meetings occur shall be determined in Franchisor's sole discretion.

(c) Franchisor will provide Franchisee with a copy of certain confidential recipes. Franchisee must prepare all Products in the exact manner and using the exact ingredients required by Franchisor in accordance with Franchisor's recipes. Franchisor may amend, revise and/or change its recipes and Franchisee will be required to comply with all such amendments, revisions and/or changes.

(d) Franchisor will establish and enforce standards and specifications for the System, which Franchisor may enforce in its sole discretion.

(e) Franchisor will loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions, in Franchisor's sole discretion.

(f) Franchisor will design and make available to Franchisee Advertising Materials and Social Media Materials for Franchisee's use. Franchisor may, in its sole discretion, conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials. Franchisor may in is sole discretion, provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms.

(g) Franchisor may, in its sole discretion, provide Franchisee with a list of approved Products, services and programs as revised from time to time.

(h) Franchisor may, in its sole discretion, review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time.

(i) Franchisor may, in its sole discretion, develop Advertising Materials and Social Media Materials for the Brand Fund.

(j) Franchisor may provide periodic counseling to Franchisee in the operation of the Franchised Business. Such periodic counseling may be provided individually or in a group setting. Such periodic counseling may be provided in person, or via telephone, seminar, newsletters, bulletins, through an intranet or any other method selected by Franchisor.

(k) Franchisor may, in its sole discretion, provide Franchisee with on-site assistance during and after Franchisee's grand opening as well other times during the term of the Franchise Agreement.

(l) Franchisor may, in its sole discretion, provide Franchisee with additional training.

(m) Franchisor may, in its sole discretion, provide Franchisee with a list of Suppliers, as revised from time to time.

(n) Franchisor may, in its sole discretion inspect Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar, if applicable, as well as evaluate the Products and Ancillary Products, Services and Programs offered by Franchisee.

(o) Franchisor may, in its sole discretion, provide the ServSafe training program to Franchisee, it Operating Principal and its employees.

5.6 Brand Fund

(a) Franchisor may establish a Brand Fund for the purpose of enhancing and promoting the goodwill and public image of the System. Franchisee agrees to contribute to the Brand Fund as specified in Section 4.3. Franchisor will withhold Franchisee's Brand Fund Contributions before remitting the balance of the Franchise Commissions to Franchisee. Company and/or affiliate-owned stores may contribute to the Brand Fund at a rate equal to the required Brand Fund Contribution rate required of franchisees which opened within the same calendar year. If the Brand Fund Contribution rate is subsequently reduced, then the Brand Fund Contribution rate applicable to company and/or affiliate-owned stores will be reduced corresponding to the Brand Fund Contribution rate required of franchisees which opened within the same calendar year. Franchisor may, in its sole discretion, increase the Brand Fund Contribution if it determines that to be in the best interests of the System.

(b) The Brand Fund will be administered by Franchisor or by its designee. Any unused funds in any fiscal year will be applied to the following fiscal year's Brand Fund, and Franchisor reserves the right to contribute or loan additional funds to the Brand Fund on any terms it deems reasonable. Franchisor will, upon Franchisee's written request, provide once a year within one hundred twenty (120) days after the end of the fiscal year, an un-audited accounting for the Brand Fund that shows how the Brand Fund proceeds have been spent for the previous year. Franchisor shall not be required to provide any other periodic accounting of how the Brand Fund is spent.

(c) Franchisor or its designee will administer the Brand Fund with sole discretion over all operational and advertising decisions including: (i) the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website and use of Social Media Platforms as funds permit); (ii) the source of the advertising, marketing, promotional or public relations efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (iii) the placement and allocation of such programs (which will be local, regional or national); and (iv) the composition of all geographic territories and market areas for the development and implementation of such programs.

(d) The Brand Fund may be used: (i) to create and implement Advertising Materials and Social Media Materials, in any form that Franchisor may, in its sole discretion, determine; (ii) to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms; (iii) in connection with radio, television, print, Internet advertising, sports and cable programs, or other forms of production and media as well as Social Media Platforms; (iv) to review any and all locally produced Advertising Materials and Social Media Materials; (v) for website design and maintenance and for search engine optimization; (vi) to use Social Media Platforms and develop Social Media Materials; (vii) to conduct market research; (viii) to undertake sponsorships; (ix) to pay related retainers; (x) to conduct customer surveys, customer interviews and mystery shopper inspections of the System as well as competitors; (xi) to retain celebrities for endorsement purposes; (xii) to pay for membership dues to associations such as the International Franchise Association, and other relevant industry associations; (xiii) to establish a third-party facility to customize Advertising Materials and Social Media Materials; and (xiv) to reimburse Franchisor and/or its affiliates for salaries, overhead and administrative expenses relating to administration of the Brand Fund.

(e) The Brand Fund will not be used principally by Franchisor to advertise and promote the sale of franchises. However, Franchisor may include language in all advertising that indicates that franchises are available.

(f) Franchisor intends the Brand Fund to maximize recognition of the Principal Trademarks and patronage of the System in any manner Franchisor determines will be effective, including expenditures related to the development and maintenance of the Mai website and direct mail programs. Franchisor may structure the organization and administration of the Brand Fund in any way it determines best benefits the System.

(g) Franchisor will attempt to spend monies in the Brand Fund in such a way as to provide benefits to all participating franchisees, but there is no guaranty that Franchisee will benefit pro rata or at all from its Brand Fund Contributions. Franchisor need not ensure that Brand Fund

expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund Contributions by Mai franchisees operating in that geographic area. The Brand Fund will not be used to advertise and promote any individual Franchised Business, except to benefit the System as determined in Franchisor's sole discretion. Franchisor is not required to spend any amount of the Brand Fund on advertising, marketing or promotional programs or Social Media Platforms near or in the vicinity of Franchisee's Mai Sushi Bar or to spend pro rata, Franchisee's individual Brand Fund Contributions.

(h) Franchisee further acknowledges and agrees that the Brand Fund may be used to develop, duplicate, print and purchase logo items, including, but not limited to, Advertising Materials and Social Media Materials to be resold to Mai franchisees and any profits from such sales shall be paid to the Brand Fund.

(i) Franchisor will account for the Brand Fund separately from its other funds and not use the Brand Fund for any of its general operating expenses. However, the Brand Fund may be used to pay the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, the Brand Fund's other administrative costs, travel expenses of personnel while they are on Brand Fund business, meeting costs, overhead relating to the Brand Fund business, costs related to maintaining the Franchisor website and other expenses incurred in activities reasonably related to administering or directing the Brand Fund and its programs including without limitation, conducting market research, public relations, preparing Advertising Materials and Social Media Materials and collecting and accounting for Brand Fund Contributions.

(j) The Brand Fund will not be Franchisor's asset. Although the Brand Fund is not a trust, Franchisor will hold all Brand Fund Contributions for the benefit of the contributors and use the Brand Fund Contributions only for the purposes described in this Section 5.6. Franchisor does not owe any fiduciary obligation to Franchisee for administering the Brand Fund or for any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund Contributions in that year, borrow from Franchisor or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. The Brand Fund will use all interest earned on Brand Fund Contributions to pay costs before using the Brand Fund's other assets. Franchisor reserves the right to establish an advisory council or subcommittee for advertising, which if established would only have advisory responsibilities and authority.

(k) Franchisor has the right, but not the obligation, to use collection agents and institute legal proceedings to collect Brand Fund Contributions at the Brand Fund's expense. Franchisor also may forgive, waive, settle or compromise all claims by or against the Brand Fund. Except as expressly provided in this subsection, Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, directing or administering the Brand Fund.

(l) Franchisor may at any time defer, reduce or increase Franchisee's Brand Fund Contribution rate. Franchisor may terminate (and if terminated, reinstate) the Brand Fund. Franchisor shall not terminate the Brand Fund until all monies in the Brand Fund have been expended.

VI. DUTIES OF FRANCHISEE

6.1 Commencement of Operations

(a) Franchisee shall commence operation of the Franchised Business no later than two (2) months after the Effective Date, unless otherwise provided herein. The Commencement Date shall mean the date Franchisee begins operating the Franchised Business. Prior to the Commencement Date, Franchisee must comply with the provisions of this Agreement, the System Standards, the Confidential Operating Manual and other requirements of Franchisor, including, but not limited to, the following:

(i) Franchisee must obtain Franchisor's prior written approval prior to commencing operation of the Franchised Business. Franchisee acknowledges and agrees that Franchisor's approval to commence operating the Franchised Business is not any indication of performance or guarantee of Franchisee's success or profitability;

(ii) Franchisee has obtained, or at Franchisor's election in accordance with Section 6.14(b) Franchisor has obtained in Franchisee's name, all the necessary licenses and permits for the Franchised Business, and Franchisee has complied with all laws applicable to the Franchised Business; Franchisee must furnish to Franchisor, (A) evidence of such compliance, including copies of all permits and certifications as may be required for the lawful operation of the Franchised Business (except for any licenses and/or permits for the Franchised Business Franchisor has obtained and maintained in the Franchisee's name), and (B) certification from all governmental authorities having jurisdiction indicating that all necessary permits have been obtained and all requirements for operation have been met;

(iii) Franchisee, its Operating Principal and any other person Franchisor designates must have completed the Initial Training Program to Franchisor's satisfaction. In addition, the Franchisee, its Operating Principal and its employees must have completed the ServSafe training;

(iv) Franchisee has delivered to Franchisor copies of the required insurance policies, licenses and notifications of having registered the name of the Franchised Business;

(v) Franchisee has paid all amounts due to Franchisor;

(vi) In the event that Franchisee is responsible for developing its Mai Sushi Bar at the Retail Location, then the construction and development of the Mai Sushi Bar meets Franchisor's standards. If the Franchisor identifies instances where Franchisee's construction or development is inconsistent with, or does not meet Franchisor's standards, Franchisor may notify Franchisee in writing of such deficiencies, in which case Franchisee shall correct such deficiencies prior to opening.

(vii) Franchisee has executed all agreements required for the opening of the Franchised Business including this Agreement, the Sublicense Agreement for the location of the Mai Sushi Bar and any other agreements required by Franchisor; and

(viii) Franchisee is not in default under any agreement with Franchisor, its affiliates or any third-party.

(b) If Franchisee fails to open the Franchised Business within two (2) months from the Effective Date of the Franchise Agreement and fails to obtain a written extension of time from Franchisor, which extension Franchisor may decline or give in its sole discretion, Franchisor may in its sole discretion, terminate this Agreement as provided for in Section 13.5 herein.

6.2 Compliance with the Confidential Operating Manual

(a) Franchisee agrees and acknowledges that the Confidential Operating Manual shall be deemed to have been incorporated by reference into this Agreement. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation for the System, Franchisee expressly agrees to conduct the Franchised Business in accordance with the Confidential Operating Manual, other written directives that Franchisor may issue from time to time and any other manuals and materials created or approved for use in the operation of the Franchised Business.

(b) Franchisor may from time to time revise the contents of the Confidential Operating Manual and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. Franchisee expressly agrees to comply with each new or modified standard. Franchisee shall at all times ensure that the Confidential Operating Manual is kept current and up-to-date. In the event of any dispute as to the contents of the Confidential Operating Manual, the terms of the master copy of the Confidential Operating Manual maintained by Franchisor at Franchisor's corporate office will control.

(c) If Franchisee's copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee shall obtain a replacement copy of the Confidential Operating Manual from Franchisor and shall pay Franchisor its then-current fee for the replacement copy. Currently, the fee to obtain a replacement copy of the Confidential Operating Manual is $250.

6.3 Management Requirements

(a) The Franchised Business shall at all times be under the direct, on-premises supervision of Franchisee, its Operating Principal or a manager previously approved by Franchisor in writing and not thereafter disapproved and who has completed all training required herein to Franchisor's satisfaction. Notwithstanding anything to the contrary above, Franchisee or its Operating Principal is required to personally supervise the day-to-day operation of the Franchised Business for a period of no less than thirty-six (36) hours per week. Any manager employed by Franchisee must be reasonably qualified to run an operation of this nature, as determined by Franchisor, but need not be an equity owner of the Franchisee if the Franchisee is an entity.

(b) During the term of this Agreement, Franchisee's managers (one of whom may be Franchisee or if it is an entity, its Operating Principal) are prohibited from actively participating in any other business during the required hours of operation of the Franchised Business without the prior written approval of the Franchisor, which may be given or denied in Franchisor's sole discretion. Franchisee agrees that it will at all times faithfully, honestly and diligently perform its obligations hereunder and that it will not engage in any business or other activities that will conflict with its obligations hereunder. Franchisee shall maintain a competent, conscientious, trained staff

who are of the highest caliber in a manner which shall be detailed in the Confidential Operating Manual or otherwise in writing by Franchisor.

(c) If Franchisee is an entity, Franchisee is required to appoint an Operating Principal who shall serve as Franchisee's principal contact with Franchisor. The Operating Principal will be the only individual that Franchisor will deal with directly and whose instructions and/or directions Franchisor shall address. Franchisee may not replace the Operating Principal without Franchisor's prior written approval.

6.4 Remodeling Requirements

Franchisee acknowledges and agrees that during the term of this Agreement, Franchisor may require Franchisee to remodel the Franchisee's Mai Sushi Bar and each Mai Satellite Sushi Bar to the then-current design of a Mai Sushi Bar and/or Mai Satellite Sushi Bar, as described in the Confidential Operating Manual. There is no limit to the cost of remodeling. However, Franchisee shall be obligated to remodel each Mai Sushi Bar and Mai Satellite Sushi Bar once during the term of this Agreement. Franchisee shall complete each such within ninety (90) days of the date of Franchisor's notice to remodel.

6.5 System Standards

(a) Franchisee agrees to maintain the condition and appearance of the Mai Sushi Bar and each Mai Satellite Sushi Bar consistent with the System Standards. Franchisee agrees to effectuate such reasonable maintenance of each Mai Sushi Bar and Mai Satellite Sushi Bar as Franchisor from time to time requires, to maintain equipment or improve the appearance and efficient operation of each. If at any time in Franchisor's judgment the general state of repair or appearance of a Mai Sushi Bar or Mai Satellite Sushi Bar, including its equipment, uniforms of personnel or décor does not meet Franchisor's standards, Franchisor shall so notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate and complete within ten (10) days after receipt of such notice a bona fide program to complete any required maintenance, Franchisor shall have the right, in addition to all other remedies, to enter upon the Retail Location of such Mai Sushi Bar or Mai Satellite Sushi Bar and effectuate such maintenance on behalf of Franchisee and Franchisee shall pay all costs thereof on demand.

(b) Franchisor periodically may modify its System Standards, which may accommodate regional or local variations, and these modifications may obligate Franchisee to invest additional capital and/or incur higher operating costs. Franchisee agrees to implement any changes in mandatory System Standards within the time period Franchisor requests as if the same were a part of this Agreement.

(c) Under no circumstances may Franchisee operate any business from its Mai Sushi Bar and Mai Satellite Sushi Bars, if applicable, other than the Franchised Business. Under no circumstances may Franchisee place any signage other than System signage at, in or on its Mai Sushi Bar and Mai Satellite Sushi Bars, if applicable.

6.6 Franchisor's Right to Inspect and Audit the Franchised Business

(a) To determine whether Franchisee is in compliance with this Agreement, agreements with Retail Operators, and all mandatory System Standards, Franchisor and its designated agents or representatives may at all times and without prior notice to Franchisee: (i) inspect Franchisee's Mai Sushi Bar and each of its Mai Satellite Sushi Bars, if applicable; (ii) observe and videotape the operation Franchisee's Mai Sushi Bar and each of its Mai Satellite Sushi Bars for consecutive or intermittent periods as Franchisor deems necessary; (iii) interview personnel and customers of the Franchised Business; (iv) inspect and copy any books, records, sales and income tax records and returns, documents relating to the Franchised Business and records relating to Franchisee's customers, clients, suppliers, employees and agents; and (v) cause Franchisor's third-party agent to conduct a Quarterly Food Safety Audit of the Franchised Business (a "Food Safety Audit").

(b) Franchisee authorizes Franchisor and its representatives to remove, at any time, samples of food or non-food items from Franchisee's inventory, or from Franchisee's Mai Sushi Bar and/or Mai Satellite Sushi Bars, without payment, in amounts reasonably necessary for testing by Franchisor or its representatives, to determine whether the samples meet Franchisor's System Standards. Franchisee shall bear the cost of such testing if the supplier of the item has not previously been approved by Franchisor or if the sample fails to conform to the System Standards.

(c) If Franchisor exercises any of the rights specified in Subsections 6.6(a) or (b), Franchisor will not interfere unreasonably with the operation of the Franchised Business.

(d) Franchisee agrees to cooperate fully with Franchisor, Franchisor's representatives and/or independent accountants in any inspection and/or audit of books and records.

(e) Franchisee agrees to present to customers of the Franchised Business the evaluation forms that Franchisor periodically prescribes and to participate and/or request customers to participate in any surveys performed by or for Franchisor.

(f) Franchisee shall bear the full cost of each Food Safety Audit conducted at the Franchised Business, which shall equal $185-$205, per occurrence. In the event the Franchised Business fails a Food Safety Audit in the determination of Franchisor (based on the current form of Food Safety Audit utilized by Franchisor, a failing score is 6 or more points assessed for violations of the Franchised Business in the Food Safety Audit result (which means the Franchised Business has one or more critical violations (6 points) or multiple major (3 points) and/or minor (1 point) violations)), in addition to Franchisor's other remedies hereunder, Franchisor shall, in addition to the cost of the Food Safety Audit, require Franchisee to (i) complete additional training at Franchisor's current fee of up to $500 per day via in-person, video or phone training (plus Franchisor's costs and expenses, including for all travel, room and board and living expenses incurred by Franchisor's personnel who provide the training pursuant to Subsection 5.2(e)), and (ii) be subject to an additional, subsequent Food Safety Audit of the Franchised Business (a "First Food Safety Re-Audit") to take place in the calendar month following the failed quarterly Food Safety Audit, at Franchisee's cost of $210-$232. In the event the Franchised Business receives a failing score on the First Food Safety Re-Audit, Franchisee shall be in default of this Agreement pursuant to Subsection 13.5(p) and, in addition to any other cure obligations set forth in a notice of default delivered by Franchisor to Franchisee and any other remedies of Franchisor hereunder, Franchisor

shall require Franchisee to (y) complete additional training at Franchisor's current fee of up to $500 per day consisting of a full food safety training via video or in-person (plus Franchisor's costs and expenses, including for all travel, room and board and living expenses incurred by Franchisor's personnel who provide the training pursuant to Subsection 5.2(e)), and (y) be subject to an additional, subsequent Food Safety Audit of the Franchised Business to take place within 30-60 days of the First Food Safety Re-Audit, at Franchisee's cost of $210-$232.

6.7 Local Marketing and Advertising

(a) Currently, Franchisee is not required to conduct any local advertising, marketing or promotional programs (collectively "Local Advertising"), but Franchisor may require Franchisee to conduct Local Advertising in the future. If Franchisee conducts Local Advertising, Franchisee must use Advertising Materials and Social Media Materials that Franchisor prepared or previously approved.

(b) Currently, Franchisee is not required to spend any minimum amount of money on Local Advertising. However, Franchisor may require Franchisee to spend one percent (1%) of Franchisee's Gross Sales of the preceding month on Local Advertising for the succeeding month. Spending for the first month shall be an estimate. Any discrepancy between the amount spent for the first month and the amount equal to one percent (1%) of Gross Sales for the first month shall be credited against or added to the amount required to be spent in the second month.

(c) Local Advertising must be conducted in accordance with the Confidential Operating Manual and be based upon a marketing plan submitted to Franchisor for approval. Upon request, Franchisee must submit an itemized report documenting proof of expenditures to Franchisor, in a form Franchisor may, in its sole discretion, require. Upon discovery of Franchisee's non-compliance with its Local Advertising requirements, Franchisor reserves the right to require Franchisee to contribute to the Brand Fund any amount required but not spent by Franchisee on Local Advertising. Costs and expenditures Franchisee incurs for any of the following are excluded from Franchisee's required Local Advertising:

(i) salaries and expenses of Franchisee's employees, including salaries or expenses for attendance at advertising meetings or activities;

(ii) in-store materials consisting of fixtures or equipment;

(iii) expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials; and

(iv) seminar and educational costs and expenses of Franchisee's employees.

(d) Franchisee is not required to prepare Advertising Materials or Social Media Materials. Franchisee, at its expense, is required to obtain and maintain at its Mai Sushi Bar and each Mai Satellite Sushi Bar, if applicable, all Advertising Materials as Franchisor may from time to time require for comparable Mai Sushi Bar and each Mai Satellite Sushi Bar.

(e) If required, all Advertising Materials, Social Media Materials and other items Franchisor designates must bear the Principal Trademarks in the form, color, location and manner

Franchisor prescribes and must meet all of Franchisor's standards and requirements. Franchisee's Advertising Materials and Social Media Materials must be conducted in a dignified manner and conform to Franchisor's standards as stated in the Confidential Operating Manual or otherwise.

(f) Franchisee must obtain Franchisor's written approval before: (i) Franchisee uses any Advertising Materials and Social Media Materials if Franchisor has not prepared or approved such materials within the previous twelve (12) months; and (ii) Franchisee initially uses any Social Media Platform. Franchisee must submit all unapproved Advertising materials, Social Media Materials and requests to use Social Media Platforms to Franchisor via certified mail or electronic mail. Franchisor will approve or disapprove such request within ten (10) days after submission. If Franchisee does not receive written approval within ten (10) days after submission, the request shall be deemed denied. Franchisor may withhold its approval of any Advertising Materials, Social Media Materials or Social Media Platform for any reason and no reason at all. Franchisee may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platform. Franchisor has the right to revoke its prior approval of any Advertising Materials, Social Media Materials and Social Media Platform. Franchisee must promptly discontinue use of any Advertising Materials, Social Media Materials or Social Media Platform whether or not previously approved, on notice from Franchisor. Franchisor has the right to require Franchisee to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including, but not limited to, any previously approved Social Media Material. Franchisor has the right to access Franchisee's Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including, but not limited to, any previously approved Social Media Material. Franchisee is required to give Franchisor its usernames, passwords, account information and all other information Franchisor may require in connection with Franchisee's use of Social Media Platforms upon Franchisee's initial use of any Social Media Platform and immediately upon Franchisor's request.

(g) Franchisee may request permission to use a Social Media Platform on an ongoing basis on a specified theme or topic related to the Franchised Business. Franchisor may, in its sole discretion, grant such consent, which remains subject to its unconditional right to withdraw consent and require removal and deletion of any objectionable Social Media Material. In the event Franchisor grants such consent, individual entries of Social Media Material on that topic alone would not require pre-approval to be made until such time as that consent is withdrawn.

(h) All Advertising Materials, Social Media Materials and Social Media Platforms must indicate that Franchisee is operating the Franchised Business as an independent franchisee of Franchisor.

(i) Franchisee shall not employ any person to act as a representative of Franchisee in connection with local promotion of the Franchised Business in any public media without the prior written approval of Franchisor.

6.8 Accounting and Records

Franchisee must maintain all financial, sales, accounts, books, data, licenses, contracts, product supplier invoices, management reports and records for a period of seven (7) years or longer as required by government regulations.

6.9 Reporting Requirements

(a) Franchisee will be required to submit financial reports each month to Franchisor indicating the Gross Sales derived from Franchisee's operation of the Franchised Business for the previous month or as required by Franchisor in the Confidential Operating Manual or otherwise in writing. During the first twelve (12) months of operation, Franchisee shall submit a monthly balance sheet and profit and loss statement within sixty (60) days after each month. Franchisee shall also submit annual balance sheets and profit and loss statements to Franchisor within one hundred twenty (120) days after the end of Franchisee's fiscal year. All reports required herein shall be signed by Franchisee and certified in writing by Franchisee to be accurate. In addition, upon the request of Franchisor, Franchisee shall compile and provide to Franchisor any report that Franchisor may reasonably request for purposes of evaluating or promoting the System in general.

(b) Franchisee shall insure that Franchisor shall have access to Franchisee's daily financial reports, statements and accounts through a customized software program that Franchisor will provide to Franchisee or require Franchisee to license from a designated supplier.

(c) Franchisor shall have the right to disclose the data contained within and any data derived from Franchisee's reports, in Franchisor's sole discretion. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee.

(d) Unless required due to Franchisee's underreporting, there are no requirements for audited financial statements.

(e) Franchisee will be required, as specified in the Confidential Operating Manual, to provide all reports to Franchisor in the format specified in the Confidential Operating Manual including Franchisor's specified chart of accounts.

6.10 Use of Operating Assets

Franchisee agrees to use in operating the Franchised Business only those fixtures, office supplies, equipment (including computer with high-speed internet connection and facsimile) and signs (collectively, the "Operating Assets") that Franchisor designates or approves for the Franchised Business as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee agrees to place or display at the Franchised Business emblems, lettering, logos and display materials that Franchisor approves from time to time. Franchisee agrees to purchase or lease approved brands, types or models of Operating Assets only from designated or approved Suppliers (which may include or be limited to Franchisor and/or its affiliates).

6.11 Computer Software and Hardware

(a) Franchisee must obtain and maintain computer equipment and software, including administrative software that meets Franchisor's specifications and is compatible with and acceptable by Franchisor's central accounting system. Franchisor may, in its sole discretion, specify the make, model and/or type of the computer equipment and software, including back office systems, retrieval and transmission systems, printers and other peripheral devices, archival back-up systems and Internet access mode and speed ("Computer System"). If Franchisor specifies the make, model or type of any part of the Computer System, Franchisee may not utilize any alternate manufacturer, brand or distributor of any part of the Computer System without Franchisor's prior written approval. Franchisee may not install additional software to its Computer System without Franchisor's written approval. Franchisee agrees and acknowledges that only personnel trained by Franchisor or Franchisee shall operate the Computer System. Franchisor requires Franchisee to maintain a high-speed connection to the Internet. Franchisor may require Franchisee to utilize specified Internet providers or communications software as Franchisor may determine.

(b) Franchisor may, in its sole discretion, require Franchisee to use hardware and software, including administrative software, which accommodates an online system that gives Franchisor access to Franchisee's records via the Internet. If Franchisor elects to gain access to Franchisee's records via the Internet, Franchisee must allow Franchisor to establish and maintain communication with Franchisee's Computer System via a dedicated data transmission line such as a high-speed internet connection to retrieve information, including, but not limited to, sales data and financial data. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee. This equipment and related software must be purchased and installed in accordance with Franchisor's specifications as may be provided in the Confidential Operating Manual or otherwise by Franchisor in writing. Franchisee must provide Franchisor with any user identification and/or password necessary for Franchisor to gain access via the Internet to Franchisee's Computer System and the records contained therein.

(c) Franchisor or a designated third-party may design, update and host the Mai website which may contain the location and telephone number of the Franchised Business provided that Franchisee is in full compliance with its obligations under this Agreement. Franchisor will approve or disapprove and execute any and all changes to the website and to Franchisee's information. Franchisee will not have any right to update, upgrade, amend or host the website. The Mai website will contain information on the services provided by the Franchisor. The Mai website may also contain information on the awards and achievements of Franchisor, its affiliates, any company-owned, affiliate-owned or any franchisee. The website and its content will be updated based upon Franchisor's judgment of what is appropriate; all changes, deletions and additions are at Franchisor's sole discretion. Franchisee shall not, without the prior written approval of Franchisor, create, establish, operate or otherwise utilize an Internet web page for the Franchised Business. Franchisee may not establish or maintain any website for the Franchised Business. Nor may Franchisee use the Principal Trademarks or Franchisor's other proprietary information on the Internet other than in accordance with the System Standards. Franchisor reserves the right to require Franchisee or any hosting service to remove unauthorized websites that contain the Principal Trademarks. Franchisee must assist Franchisor in removing such sites.

(d) Franchisee may be assigned an email address for its location. If Franchisee is assigned an email address, Franchisee must use only this email address to conduct its business. To the extent the e-mail address contains the name "Mai" or any other proprietary designation, Franchisee will only be able to use it as specified by Franchisor and Franchisee will immediately cease use of it when Franchisor so requires.

(e) Franchisee must maintain, upgrade and update the Computer System, including administrative software and Internet service providers or other communications system during the term of the franchise, as Franchisor determines without limitation, at Franchisee's expense. Franchisee is solely responsible for protecting itself from viruses, computer hackers and other computer-related problems and Franchisee may not assert any claims against Franchisor or its affiliates for any harm caused by such computer-related problems.

6.12 Insurance

(a) Prior to Franchisee opening its Mai Sushi Bar, Franchisee must obtain insurance coverage for the Franchised Business in at least the amounts specified below. This insurance coverage must be maintained during the term of this Agreement and must be obtained from a responsible carrier or carriers rated "A" or better by A.M. Best & Company, Inc. and be approved by Franchisor. The insurance coverage must include the following:

(i) Commercial general liability insurance providing coverage on an occurrence form basis with limits of not less than $1,000,000 per occurrence for bodily injury and property damage combined, $2,000,000 annual general aggregate and $1,000,000 products and completed operations annual aggregate. All liability insurance policies must:

(1) include premises and operations liability coverage, products and completed operations liability coverage and broad form property damage coverage including completed operations;

(2) include blanket contractual liability coverage, including to the maximum extent possible, defense costs outside the limits of liability coverage for Franchisee's indemnification obligations under the Agreement and any other agreement between Franchisee and Franchisor;

(3) provide that the insurance company has the duty to defend all parties insured under the policy;

(4) provide that the defense costs are paid in addition to and not in depletion of any of the policy limits; and

(5) cover liabilities arising out of or incurred in connection with Franchisee's use, operation, occupancy, franchising, licensing, leasing or ownership of the Franchised Business.

(ii) An "umbrella" policy providing per occurrence coverage limits of not less than $1,000,000 with appurtenant structures up to $50,000 and annual aggregate limits of not less than $3,000,000.

(iii) Employers' liability and workers' compensation insurance or similar insurance as required by applicable law and in amounts required by applicable law, including coverage for trainees as well as those employed or engaged in the operation of the Franchised Business. This coverage must have a minimum limit of the greater of $100,000 or the statutory minimum limit.

(iv) Crime (inside/outside money and securities) and employee dishonesty insurance with minimum per occurrence coverage of $10,000.

(v) Business interruption insurance to cover Franchisee's loss of revenues and ongoing expenses and to cover any amounts due and owing to Franchisor under the Agreement, including, but not limited to, the Royalties Franchisor would have received had the business interruption not occurred, based upon the average of Royalty receipts for all franchises for that sales period, or any other agreement between Franchisee and Franchisor and/or its affiliates, in an amount not less than the actual loss resulting from an interruption of business for a minimum of twelve (12) months.

(vi) Employment practices liability insurance covering claims made by Franchisee's employees or potential employees, including, but not limited to, discrimination, wrongful termination, sexual harassment and other employment related claims.

(vii) Any additional insurance required by law in the state or locality in which the Franchised Business will operate.

(b) If Franchisee operates a Mai Satellite Sushi Bar, Franchisee shall be required to obtain automobile liability coverage, including coverage of owned, non-owned and hired vehicles with coverage in the amount of at least $1,000,000 with combined single limits of $500,000 per occurrence for bodily injury and property damage.

(c) Franchisee may, with Franchisor's prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name Franchisor, its affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of Franchisor and its affiliates as additional insureds and must include a waiver of subrogation in favor of all parties.

(d) Franchisee must provide Franchisor with written proof in the form of Accord certificates or as otherwise required by Franchisor of Franchisee's purchase of the above required insurance policies no later than the business day before Franchisee intends to open the Franchised Business. Franchisee must provide Franchisor with proof of Franchisee's continued insurance coverage no later than thirty (30) days before the expiration of Franchisee's insurance policies. For purposes hereof, proof of purchase of insurance and/or continued insurance coverage shall include written evidence of insurance issued by the insurance company to Franchisee showing compliance with the above requirements. In the event that Franchisee fails to purchase the required insurance, Franchisor may, in its sole discretion, pay for the required insurance policies on behalf of

Franchisee. Franchisor reserves the right to charge Franchisee a reimbursement fee equal to Franchisor's expenditures in paying for Franchisee's required insurance policies. Franchisee's insurance policies will in no way be limited in any way by any insurance policy maintained by Franchisor.

(e) Franchisor may, in its sole discretion, revise its insurance requirements for franchisees. Franchisor may, in its sole discretion, require Franchisee to obtain additional or different insurance policies in accordance with Franchisor's then-current insurance requirements for Franchisees.

(f) Franchisee may not reduce or attempt to reduce any insurance limit, restrict any insurance coverage or cancel any insurance policy without Franchisor's written consent. Franchisee may alter, amend or upgrade any insurance policy without Franchisor's written consent provided that Franchisee maintains the minimum insurance required and Franchisee provides Franchisor with notice of such alteration, amendment or upgrade to the insurance coverage upon the issuance of such coverage.

(g) Franchisee shall require its insurance providers to provide written notice to Franchisor in advance of any alteration, amendment, upgrade, termination or expiration of any insurance policy maintained by Franchisee.

(h) Franchisee agrees and acknowledges that Franchisor's review of and/or consent to any of Franchisee's insurance policies is solely for Franchisor's benefit and is not a guaranty that Franchisee's insurance coverage is sufficient. Franchisee further agrees and acknowledges that it is solely responsible for determining whether or not its insurance coverage is sufficient for the Franchised Business.

6.13 Indemnification

(a) Franchisee shall indemnify, defend and hold harmless Franchisor, its affiliates and the respective shareholders, officers, directors, employees, agents, successors and assignees of Franchisor and its affiliates (the "Indemnified Parties") against and reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising directly or indirectly from the operation of the Franchised Business or Franchisee's breach of this Agreement, including without limitation those alleged to be or found to have been caused by the Indemnified Party's negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations or damages are determined to be caused solely by Franchisor's gross negligence or willful misconduct in a final, un-appealable ruling issued by a court or arbitrator with competent jurisdiction.

(b) For purposes of this Section 6.13 and Franchisee's indemnification, "claims" include all obligations, damages (actual, consequential or otherwise) and costs that any Indemnified Party incurs in defending any claim against it, including without limitation fees incurred for accountants, arbitrators, attorneys and expert witnesses, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration or alternative dispute resolution. Each Indemnified Party may defend any claim against it at Franchisee's expense and agree to settlements or take any other remedial, corrective or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or

termination. An Indemnified Party need not seek recovery from any insurer or other third-party or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this subsection. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this subsection.

6.14 Licensing, Taxes and Compliance with Laws

(a) Franchisee acknowledges and agrees that Franchisee is solely responsible for complying with all laws, including but not limited to, all federal, state, local and other business requirements and health and safety regulations.

(b) Franchisee shall ensure that the Franchised Business and each of Franchisee's employees at the Franchised Business meet and maintain the highest standards and shall satisfy all safety and regulation standards which may be imposed upon the Franchised Business and/or its employees, including obtaining all required licenses, permits and certificates, and completing ServSafe training. It is Franchisee's obligation to determine if Franchisee must be licensed in connection with operating the Franchised Business and to take whatever steps are necessary to meet the requirements of any regulation regarding the operation of the Franchised Business. However, at Franchisor's election, Franchisor shall have the right, but not the obligation, to obtain any required licenses and/or permits in Franchisee's name. In the event Franchisor elects to obtain any licenses and/or permits in Franchisee's name, Franchisee (i) hereby grants Franchisor a power of attorney to apply for any required licenses, permits and any renewals thereof for Franchisee's Franchised Business, and (ii) shall reimburse Franchisor for any costs and fees incurred by Franchisor in applying for these licenses and/or permits (and any renewals thereof) in Franchisee's name. Franchisee shall provide to Franchisor, within five (5) days of Franchisee's receipt thereof or Franchisor's request, a copy of all inspection reports, warnings, citations, certificates and/or ratings required by law or which result from inspections, audits or inquiries conducted by federal, state or municipal agencies with jurisdiction over the Franchised Business.

(c) Franchisee agrees and acknowledges that the Franchised Business will be subject to federal, state and local health and safety inspection authorities which govern the handling of food, temperatures and other health considerations. Federal laws and regulations impose specific requirements on the handling of fresh fish products under the Hazard Analysis Critical Control Points (HACCP) program. Franchisee, its Operating Principal and all of its employees must complete a ServSafe training program. Each Mai Sushi Bar is required to have at least one ServSafe certified person on duty at all times. Federal law also requires chain retail food establishments with more than twenty locations to disclose the number of calories of each standard menu item on the menu and menu boards, make additional written nutritional information available to customers on request and provide a statement on menu boards about the availability of additional information. In some states, municipalities or other political subdivisions, there may be local regulations that regulate foods offered for sale, or that require posting of calorie content or other nutritional information.

(d) Franchisee shall also pay when due all taxes levied or assessed, including unemployment and sales taxes and Franchisee shall file when due all tax returns due from any individual or entity related to the Franchised Business. Franchisee shall pay to Franchisor an

amount equal to any sales tax or gross receipts tax imposed upon Franchisor with respect to any payments to Franchisor required under the Agreement.

6.15 Security Interest

Franchisee hereby grants to Franchisor and its affiliates a security interest in any and all of Franchisee's inventory, Operating Assets and all other assets and any proceeds thereof (including, but not limited to, all accounts receivable and the proceeds of any insurance). The security interest granted herein secures: (a) all of Franchisee's obligations to Franchisor and its affiliates under this Agreement and any other agreement between Franchisee and Franchisor or its affiliates; and (b) all costs and expenses which Franchisor and its affiliates may incur in the administration and collection of these obligations. This Agreement shall constitute a security agreement and upon request by Franchisor and its affiliates, Franchisee shall execute any additional instruments required to perfect this security interest, including without limitation a standard Uniform Commercial Code ("UCC") financing statement. Franchisee authorizes Franchisor and its affiliates:

(a) to file a copy of this Agreement, a UCC financing statement and any other documents that may be necessary to perfect the security interest granted herein; and

(b) to sign on behalf of Franchisee and to file in any jurisdiction, with or without signature of Franchisee, financing statements with respect to this security interest and security agreement.

6.16 Approved Products, Services and Programs

(a) Franchisee agrees and acknowledges that Franchisee shall sell and offer for sale only those Products, services and programs approved by Franchisor from Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bars, if applicable. Franchisee is obligated to sell and offer for sale all Products, services and programs from Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bars, if applicable, as required by Franchisor.

(b) Franchisee shall discontinue selling and offering for sale any Products, services, and/or programs that Franchisor disapproves in writing, within the time period determined by Franchisor, in Franchisor's sole discretion.

6.17 Advertising Cooperatives

There is currently no advertising cooperative in the System. However, Franchisor reserves the right to establish advertising cooperative(s) and to require Franchisee to contribute monies to any required advertising cooperative(s). Franchisor will have the right, in its sole discretion, to determine how funds paid into any such advertising cooperative are expended. Any financial contributions made by Franchisee to the advertising cooperative may be credited against Franchisee's required Local Advertising expenditures. Company-owned units, including any units owned by Franchisor's affiliates, may be active members of any advertising cooperative and may possess voting power in accordance with the rules of the advertising cooperative, as Franchisor may determine in its sole discretion.

6.18 Failure to Satisfy Certain Duties

In the event that Franchisee fails to: (i) purchase items necessary to operate the Franchised Business from Suppliers in accordance with Section 5.3 herein or otherwise sell, or offer to sell, Products, services or programs approved by Franchisor in accordance with Section 6.16 herein; (ii) participate in advertising, marketing, promotional and/or public relations activities required by Franchisor from time-to-time; (iii) operate the Franchised Business during the hours of operation required by Franchisor; (iv) maintain accurate food safety logs for the Franchised Business; or (v) maintain required insurance for the Franchised Business in accordance with the requirements set forth in Section 6.12, Franchisor shall have the right to charge Franchisee $500 per violation. This fee is a reasonable estimate of Franchisor's internal cost of personnel time attributable to addressing non-compliance with the System Standards, and it is not a penalty or estimate of all damages arising from Franchisee's breach. This fee is in addition to all of Franchisor's other rights and remedies (including, without limitation, under Section 6.6(f) herein and with respect to default and termination under Article XIII herein), and Franchisee's obligation to comply with all of the terms of this Agreement.

VII. CONFIDENTIAL INFORMATION

7.1 Restriction on Use of Confidential Information

(a) Franchisor possesses (and will continue to develop and acquire) certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding: (i) Franchisor and its affiliates; (ii) the development, management and operation of Mai franchised businesses, including without limitation: (1) the Confidential Operating Manual; (2) operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System; (3) recipes, preparation instructions and methods for preparation of various menu items and inventory system methods including those relating to inventory control, storage, product and handling; (4) site selection criteria; (5) training and operations materials and manuals; (6) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques; (7) business forms and accounting procedures; (8) Advertising Materials, Social Media Materials and use of Social Media Platforms; (9) database material, customer lists, records, files, instructions and other proprietary information; (10) identity of suppliers and knowledge of supplier discounts, specifications, processes, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment; (11) any computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials; (12) knowledge of the operating results and financial performance of the System other than the Franchised Business; and (13) graphic designs and related intellectual property (collectively "Confidential Information") which Franchisor and its affiliates consider proprietary.

(b) It is the parties' intention that the Confidential Information be governed by the Confidentiality, Non-Use and Non-Competition Agreement attached hereto as Exhibit 5 and Article VIII below. Franchisee acknowledges and agrees that Franchisor has granted the franchise in consideration of and in reliance upon Franchisee's agreement to execute the Confidentiality,

Non-Use and Non-Competition Agreement (Exhibit 5), abide by its terms and obtain executed Confidentiality, Non-Use and Non-Competition Agreement Forms (Exhibit 6) from Recipients.

7.2 Acknowledgments

(a) Franchisee acknowledges that Franchisee has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee acknowledges that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of Confidential Information that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the Confidential Information; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee is disclosed in confidence; (v) Franchisee has no right to disclose any Confidential Information to anyone who is not a Recipient in furtherance of a Confidential Business Relationship, as such terms are defined in Section 8.4 below; (vi) Franchisee will not acquire any ownership interest in the Confidential Information or the System; and (vii) Franchisee's use or duplication of the Confidential Information and/or the System or any part of the Confidential Information and/or the System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

7.3 Non-Disclosure and Return of Confidential Information

(a) Franchisee on his or her own behalf and, if a corporation, limited liability company or partnership on behalf of its officers, directors, shareholders, members, partners, employees, agents and affiliates, pledges and agrees that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity and will only disclose those parts of the Confidential Information that a Recipient needs to know; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will inform its Owners, affiliates and the professional and financial advisors of Franchisee, Owners and Franchisee's affiliates of the confidential nature of the Confidential Information; (v) will not reproduce or use the Confidential Information; (vi) will have a system in place to ensure that the Recipients keep confidential the Confidential Information; and (vii) will comply with Article VIII below.

(b) Confidential Information provided by Franchisor to Franchisee, its professional and financial advisors, any of its affiliates and their respective professional and financial advisors or any other third party in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee, Franchisee's affiliates, professional advisors, financial advisors and any other third party shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

VIII. COVENANTS

8.1 Covenants

(a) Franchisee acknowledges that Franchisor has granted it the franchise in consideration of and reliance upon Franchisee's agreement to deal exclusively with Franchisor; to maintain the confidentiality of all of the Confidential Information; to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Article VII above; and to protect and preserve the goodwill of the Franchisor.

(b) Franchisee further acknowledges and agrees that (i) pursuant to this Agreement, it will have access from the Franchisor and its affiliates to valuable specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee under this Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Mai franchises if Mai franchisees were permitted to hold interests in Competitive Businesses; and (v) restrictions on Franchisee's right to hold an interest in or perform services for Competitive Businesses will not unreasonably or unnecessarily hinder Franchisee's activities.

(c) Accordingly, Franchisee covenants and agrees that during the term of this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination or expiration of this Agreement (regardless of the cause for termination or expiration); (ii) the Transfer, as defined in this Agreement, of the franchise; or (iii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 8.1, Franchisee and each of its Owners and guarantors shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of the Franchised Business to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System.

(2) Employ or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor or any Mai franchisee or develop, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission.

(3) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock

or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of this Agreement, there is no geographical limitation on these restrictions, meaning that Franchisee and each of its Owners and Guarantors shall not engage in the conduct referred to in subsections 8.1(c)(1), (2) and (3) at any location. During the two year period following the later of: (i) the termination or expiration of this Agreement (regardless of the cause for termination or expiration); (ii) the Transfer of the franchise; or (iii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 8.1, these restrictions shall apply:

(1) at the location of each of Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar(s);

(2) within ten (10) miles of each of Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar(s);

(3) within ten (10) miles of the location of any other Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of the Franchise Agreement;

(4) within ten (10) miles of the location of each Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of (a) termination or expiration of the Franchise Agreement (regardless of the cause for termination or expiration); or (b) Transfer of the franchise; or

(5) within ten (10) miles of the location of each Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of entry of any final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 8.1.

(e) Franchisee further covenants and agrees that for a period of two (2) years following the expiration, termination or transfer of this Agreement, franchisee will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease, sublease or transfer the Retail Location in which Franchisee operates a Mai Sushi Bar or Mai Satellite Sushi Bar to any person, firm, partnership corporation or other entity that franchisee knows or has reason to know intends to operate a Competitive Business at that Retail Location.

(f) Franchisee covenants not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination and expiration of this Agreement.

(g) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently,

the enforcement of the covenants made in this Section 8.1 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(h) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates, including but not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near each Retail Location in which Franchisee operated a Mai Sushi Bar and Mai Satellite Sushi Bar and within the territorial boundaries of the restrictive covenant described above in subsection 8.1(d)(1), (2), (3), (4) and (5); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee; and (v) protecting the System as a whole including the franchisee network. If any provision of the terms, covenants and/or restrictions of this Article VIII (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(i) Franchisor shall have the right, in its sole discretion to reduce the scope of any covenant contained in this Section 8.1 effective immediately upon Franchisee's receipt of written notice and Franchisee agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 19.2.

8.2 Enforcement of Covenants Not to Compete

Franchisee and its Owners acknowledge that violation of the covenants contained in this Article VIII would result in immediate and irreparable injury to Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Article VIII without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms, covenants and/or restrictions was accomplished by and through the unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee may have against Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Article VIII by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Article VIII.

8.3 Definitions

(a) As used herein, (with respect to Franchisee) "affiliates" means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities. For purposes of this definition, the term "control" shall mean the

control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(b) The term "Competitive Business" means: (i) any business involving the establishment and/or operation of a sushi bar or similar restaurant that primarily offers pre-packaged or made-to-order sushi, Japanese food, soups, hot or cold rice, hot or cold noodle bowls, hot or cold vegetable bowls or other similar food items; or (ii) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(c) The term "Owner" means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Franchisee (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity

8.4 Procurement of Additional Covenants

Franchisee acknowledges and agrees to require and obtain the execution of the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 6, from any individual or entity ("Recipient") who is or is about to be employed by Franchisee or who has entered or is about to enter into some form of a contractual relationship with Franchisee (collectively "Confidential Business Relationship") pursuant to which Recipient shall likely receive Confidential Information. Franchisee agrees to furnish Franchisor with copies of all executed Confidentiality, Non-Use and Non-Competition Agreement Forms upon Franchisor's request. Franchisee further acknowledges that its Owners shall execute Confidentiality, Non-Use and Non-Competition Agreement (Exhibit 5) at the same time Franchisee executes this Agreement or at such later time as such individual or entity becomes an Owner. Franchisee shall notify Franchisor in writing of each instance an individual or entity becomes an Owner.

8.5 Franchisee's Enforcement of Confidentiality, Non-Use and Non-Competition Agreements

Franchisee acknowledges and agrees to vigorously and vigilantly prosecute breaches of any Confidentiality, Non-Use and Non-Competition Agreement Form (Exhibit 6) executed by any of the persons and entities referenced herein. Franchisee agrees to prosecute such actions to the fullest extent permitted by law. Moreover, if provisions of the Confidentiality, Non-Use and Non-Competition Agreement Form have been breached by an individual or entity employed, engaged or otherwise serving the Franchised Business, but who has not executed a Confidentiality, Non-Use and Non-Competition Agreement Form, Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law. Franchisee acknowledges that Franchisor shall have the right, but not the obligation, to enforce the terms of each such executed Confidentiality, Non-Use and Non-Competition Agreement Form against any of the individuals referenced herein. Franchisee further acknowledges that Franchisor shall have the right, but not the obligation to bring civil actions to enforce its terms. In the event that Franchisor elects to exercise its rights to enforce the provisions of a Confidentiality, Non-Use

and Non-Competition Agreement Form against any of the individuals and/or entities referenced herein, Franchisee shall be required to reimburse Franchisor for Franchisor's reasonable attorneys' fees, experts' fees, court costs and all other expenses of litigation in connection with Franchisor's enforcement of the provisions of any Confidentiality, Non-Use and Non-Competition Agreement Form against any of the individuals and/or entities referenced herein.

8.6 Lesser Included Covenants Enforceable At Law

If all or any portion of the covenants set forth in this Article VIII are held unreasonable, void, vague or illegal by any court, arbitrator or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Franchisee and its Owners acknowledge and agree to be bound by any lesser covenant subsumed within the terms of this Article VIII as if the resulting covenants were separately stated in and made a part of this Agreement.

IX. ASSIGNMENT AND TRANSFERS

9.1 By Franchisor

Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System and that staff members can change as employees come and go. Franchisee represents that it has not signed this Agreement in reliance on any particular shareholder, director, officer or employee remaining with Franchisor in any capacity or no capacity at all. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third-party without restriction. In the event of Franchisor's assignment of this Agreement to a third-party who expressly assumes the obligations under this Agreement, Franchisor shall no longer have any performance or other obligations under this Agreement.

9.2 By Franchisee

(a) Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee (or, if Franchisee is an entity, to Franchisee's Owners) and that Franchisor has granted to Franchisee the franchise in reliance upon its perceptions of Franchisee's (or its Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (nor any interest in this Agreement), the Franchised Business or substantially all of its assets, nor any ownership interest in Franchisee (regardless of its size), nor any ownership interest in any of Franchisee's Owners (if any Owner is a legal entity) may be transferred without Franchisor's prior written approval, which may be withheld for any reason in its sole discretion, subject to the provisions herein. Any transfer without Franchisor's consent is a breach of this Agreement and shall be considered void and of no effect.

(b) Neither Franchisee nor any Owner shall be permitted or have the power without the prior written consent of Franchisor, to convey, give away, sell, assign, pledge, lease, sublease, devise or otherwise transfer, either directly or by operation of law or in any other manner, including by reason of death, any interest or shares of stock of any kind or nature in Franchisee. In order to assure compliance by Franchisee with the transfer restrictions contained in this Section 9.2, all shares or stock certificates of Franchisee or Franchisee's operating agreement, if Franchisee is a

limited liability company, shall at all times contain a legend sufficient under applicable law to constitute notice of the restrictions contained in this Agreement and to allow such restrictions to be enforceable. Franchisee shall provide Franchisor with a copy of its shares or stock certificates, if a corporation, or its operating agreement, if a limited liability company, so that Franchisor may ensure that such contains the required legend.

Such legend shall appear in substantially the following form:

> "The sale, transfer, pledge or hypothecation of this stock is restricted pursuant to the terms of Article IX of a Franchise Agreement dated ____between Hana Group Franchising, LLC d/b/a Mai Franchising, LLC and_____."

(c) Notwithstanding anything to the contrary above, Franchisee may grant a security interest (including a purchase money security interest) in the assets of the Franchised Business (not including this Agreement) to a lender that finances its acquisition, development and/or operation of the Franchised Business without having to obtain Franchisor's prior written approval as long as Franchisee gives Franchisor thirty (30) days prior written notice and provided that the security interest is subordinate to Franchisor's rights hereunder or under any other agreement by and between Franchisee and Franchisor.

(d) The term "transfer" means to sell, assign, gift, pledge, mortgage or encumber either voluntarily or by operation of law any interest in: (i) this Agreement or the rights created thereunder; (ii) the Franchised Business or all or substantially all of the assets of the Franchised Business; and/or (iii) any direct or indirect interest in the ownership of Franchisee.

9.3 Conditions for Approval of Transfer by Franchisee

(a) If Franchisee (and its Owners) has fully complied with this Agreement and any and all other agreements with Franchisor and its affiliates, then subject to the other provisions of this Article IX, Franchisor may in its discretion approve a transfer that meets the requirements of this Section 9.3. Notwithstanding anything to the contrary herein, in no event shall Franchisee be permitted to transfer this Agreement, the Franchised Business or all or substantially all of the assets of the Franchised Business or any interest in the Franchised Business within the first two (2) years of executing the Franchise Agreement. To effectuate a proposed transfer after the period of two (2) years from executing the Franchise Agreement, Franchisee must comply with all of the following conditions either before or concurrently with the effective date of the transfer:

(i) Franchisee shall first notify Franchisor in writing of the proposed transfer and set forth a complete description of the terms of the proposed transfer including the prospective transferee's name, address, telephone number, financial qualifications and previous five (5) years' business experience. Franchisor or its assignees may within thirty (30) days after receipt of such notice, exercise a right of first refusal to purchase the interest being offered by Franchisee pursuant to the provisions of Article X herein;

(ii) transferee (and its owners if transferee is an entity) has sufficient business experience, aptitude and financial resources to operate the Franchised Business and must meet all

of Franchisor's then-current standards and requirements for becoming a Mai franchisee (which standards and requirements need not be in writing);

(iii) Franchisee has: (1) paid all Royalty, Brand Fund Contributions and other amounts owed to Franchisor, its affiliates and any Suppliers; (2) submitted all required reports and statements; (3) cured all other breaches of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates and any Suppliers; and (4) satisfied all its obligations under this Agreement and any other agreement with Franchisor, its affiliates or any Suppliers;

(iv) neither the transferee nor its owners (if the transferee is an entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(v) transferee (or its operating principal) and any other personnel required by Franchisor completes Franchisor's Initial Training Program to Franchisor's satisfaction at transferee's own expense, including payment to Franchisor of the then-current training fee, which as of the date of this Franchise Agreement is $2,000 for one person at the location of the Franchised Business or an alternate location that Franchisor agrees to (plus Franchisor's costs and expenses to provide the Initial Training Program) (see Subsection 5.2(b)). Additionally, transferee, its operating principal and its employees must complete the ServSafe training;

(vi) the Retail Operator in which Franchisee's Mai Sushi Bar is located consents to the transferee;

(vii) transferee shall (if the transfer is of this Agreement, the Franchised Business or all or substantially all of the assets of the Franchised Business) or Franchisee shall (if the transfer is of an ownership interest in Franchisee or one of its Owners), execute Franchisor's then-current form of franchise agreement and related documents, the provisions of which may differ materially from those contained in this Agreement, for a term then-offered to new franchisees. Transferee or Franchisee, as applicable, shall pay Franchisor the then-current franchise fee and agree to comply in all respects with all of Franchisor's requirements;

(viii) transferee (and its owners if transferee is an entity) shall agree and acknowledge that Franchisor is not responsible for any representations not included in the disclosure document or this Franchise Agreement;

(ix) Franchisee or the transferee pays Franchisor the transfer fee. Transfer fees are due upon request for approval of the transfer and are nonrefundable, whether or not the transfer actually occurs. Transfer fees are as follows:

(1) no fee for a transfer to an entity in which Franchisee: (i) maintains management control; and (ii) owns and controls one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that (a) such entity conducts no other business other than the Franchised Business; (b) all of the assets of the Franchised Business are owned by that single entity; and (c) the Franchised Business is conducted only by that single entity. Further, the transferee entity must expressly assume all of Franchisee's obligations under this Agreement and Franchisee must agree to remain personally liable under this Agreement as if the transfer to this entity did not occur; ownership interests;

(2) if Franchisee is an entity, no fee for a transfer of a non-controlling minority percentage of the equity interests of the Franchisee; and

(3) $1,500 for all other transfers, which shall be paid ~~as follows: (i) $1,000 is paid~~in full upon submission of application for a transfer~~; and (ii) the balance of $500 is paid upon closing of such transfer~~.

(x) Franchisee (and its Owners) signs a General Release in the form attached as Exhibit 4, of any and all claims against Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates;

(xi) Franchisor, in its sole discretion, has determined that the terms of the transfer, including, but not limited to, price, method and the extent of financing will not adversely affect the transferee's operation of the Franchised Business;

(xii) if Franchisee or its Owners finance any part of the purchase price, Franchisee and/or its Owners agree that all of the transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay the Royalty, Brand Fund Contributions and other amounts due to Franchisor, its affiliates, Suppliers and otherwise comply with this Agreement;

(xiii) Franchisee and its Owners will not for two (2) years, beginning on the effective date of the transfer, engage in any of the activities prohibited in Article X of this Agreement;

(xiv) Franchisee and its Owners will not directly or indirectly at any time or in any manner (except with respect to other Mai franchises they own and operate) identify themselves or any business as a current or former Mai franchise or as one of Franchisor's franchisees; use any of the Principal Trademarks, any colorable imitation of a Principal Trademark or other indicia of the System in any manner or for any purpose; or utilize for any purpose any trade name, trademark or service mark, or other commercial symbol that suggests or indicates a connection or association with Franchisor;

(xv) Franchisee shall comply with all other applicable transfer requirements as designated in the Confidential Operating Manual or otherwise in writing;

(xvi) Franchisor in its sole discretion determines that the terms of the transfer are substantially the same as those offered to Franchisor pursuant to Franchisor's right of first refusal in accordance with Article X herein;

(xvii) Franchisor may require any transferee of any interest or shares of stock of any kind or nature in Franchisee to guarantee the obligations of Franchisee under this Agreement or under any new franchise agreement entered into pursuant to Section 9.3(a)(vii) above;

(xviii) transferee (and its owners if transferee is an entity) passes a credit and criminal background check; and

(xix) the transfer of this Agreement, transfer all or substantially all of the Franchised Business assets or the transfer of any rights to a Mai Sushi Bar include the transfer of all rights to any Mai Satellite Sushi Bar which offers for sale Products prepared at the Mai Sushi Bar to be transferred.

(b) Franchisor may but is not obligated to review all information regarding the Franchised Business that Franchisee gives the transferee, correct any information that it believes is inaccurate and give the transferee copies of any reports that Franchisee has given Franchisor or Franchisor has made regarding the Franchised Business.

9.4 Death or Disability of Franchisee

(a) Transfer Upon Death or Disability

Upon the death or disability of Franchisee or its Operating Principal, the executor, administrator, conservator, guardian or other personal representative of Franchisee or its Operating Principal must transfer Franchisee's interest in this Agreement or the Operating Principal's ownership interest in Franchisee to a third-party (which may be the heirs, beneficiaries or devisees of Franchisee or the Operating Principal). That transfer must be completed within a reasonable time not to exceed six (6) months from the date of death or disability and is subject to all of the terms and conditions in this Article IX. A failure to transfer Franchisee's interest in this Agreement or the Operating Principal's ownership interest in Franchisee within this time period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Operating Principal from supervising the management and operation of the Franchised Business.

(b) Operation Upon Death or Disability

If upon the death or disability of Franchisee or the Operating Principal, a manager trained by Franchisor or Franchisee is not managing the Franchised Business, the executor, administrator, conservator, guardian or other personal representative of the Franchisee or the Operating Principal must within a reasonable time not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The replacement manager must complete Franchisor's then-current Initial Training Program at Franchisee's sole expense. A new Operating Principal acceptable to Franchisor also must be appointed within thirty (30) days. If in Franchisor's judgment, the Franchised Business is not being managed properly any time after the death or disability of Franchisee or the Operating Principal, Franchisor may but need not assume the management of the Franchised Business (or appoint a third-party to assume its management). All funds from the operation of the Franchised Business while under the management of the Franchisor or third-party will be kept in a separate account and all expenses will be charged to this account. Franchisor may charge Franchisee (in addition to the Royalty, Brand Fund Contributions and other amounts due under this Agreement) a management fee of five percent (5%) of Gross Sales earned by the Franchised Business during the time in which Franchisor manages the Franchised Business, plus direct out-of-pocket costs and expenses of the Franchisor (or a third-party), if Franchisor (or a third-party) assumes the management of the Franchised Business under this subsection. Franchisor (or a third-party) has a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any debts, losses or obligations incurred by the Franchised Business, or to any of

Franchisee's creditors for any products, other assets, or services the Franchised Business purchases while under the management of Franchisor (or a third-party).

9.5 Effect of Consent to Transfer

Franchisor's consent to a transfer of this Agreement, the Franchised Business, all or substantially all of its assets or any interest in Franchisee or its Owners is (a) not a representation of the fairness of the terms of any contract between Franchisee and the transferee; (b) nor a guarantee of the prospects of success of the Franchised Business or transferee; (c) nor a waiver of any claims Franchisor has against Franchisee (or its Operating Principals) or of Franchisor's right to demand the transferee's full compliance with this Agreement. In the event of a transfer, Franchisee and/or its Owners shall continue to remain obligated to Franchisor in accordance with the terms of this Agreement.

X. RIGHT OF FIRST REFUSAL TO ACQUIRE FRANCHISEE'S BUSINESS

10.1 Franchisor's Right of First Refusal

(a) Franchisor shall have the right, exercisable within thirty (30) days after receipt of notice set forth in Section 9.3(a)(i) and the details of the proposed transfer and bona fide offer, to send written notice to Franchisee that Franchisor intends to purchase the interest in this Agreement, the Franchised Business, all or substantially all of the assets of the Franchised Business or an ownership interest in Franchisee proposed to be transferred. Franchisor may assign this right of first refusal to a third-party either before or after Franchisor exercises such right. However, this right of first refusal shall not apply to transfers among Franchisee's current Owners or to a legal entity wholly owned by Franchisee.

(b) Notice of the bona fide offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid bona fide offer, the proposed purchase price must be in a dollar amount and the proposed transferee must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price. The right of first refusal process will not be triggered by a proposed transfer that would not be permitted under Article IX. Franchisor may require Franchisee (or its Owners) to send Franchisor copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

(c) Franchisor may, by written notice delivered to Franchisee or its selling Owner(s), within thirty (30) days after it receives both an exact copy of the offer and all other information Franchisor requests, elect to purchase the interest offered under the same terms or conditions contained in the offer provided that:

(i) Franchisor may, in its sole discretion, substitute cash, notes payable monthly in no less than five (5) years, or some combination of each for any form of payment proposed in the offer (such as ownership interests in a privately-held entity) and Franchisor's credit shall be deemed equal to the credit of any proposed buyer or transferee;

(ii) Franchisor will have an additional thirty (30) days to prepare for closing after notifying Franchisee of its election to purchase; and

(iii) Franchisor must receive, and Franchisee and its Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including without limitation representations and warranties regarding:

(1) ownership and condition of and title to ownership interests and/or assets; liens and encumbrances relating to ownership interests and/or assets; and

(2) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

(d) If Franchisor exercises its right of first refusal, Franchisee and its selling Owners agree that for two (2) years beginning on the closing date, they will be bound by the covenants contained in Article VIII of this Agreement.

(e) If Franchisor does not exercise its right of first refusal, Franchisor shall, within thirty (30) days after the right of first refusal has expired, notify Franchisee (and/or any of its Owners) in writing of its approval or disapproval of the prospective transferee. Franchisee or its Owners may complete the sale to the proposed transferee on the terms of the original offer, but only if Franchisor otherwise approves the transfer in accordance with Section 9.3 and Franchisee (and its Owners) and the transferee comply with the conditions of that Section. This means that even if Franchisor does not exercise its right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Section 9.3, then Franchisee (or its Owners) may not complete the transfer.

(f) If Franchisee (or its Owners) does not complete the transfer to the proposed transferee within sixty (60) days after Franchisor notifies Franchisee (and/or any of its Owners) that Franchisor does not intend to exercise its right of first refusal, or if there is a material change in the terms of the transfer (which Franchisee and/or its Owners agree to promptly advise Franchisor), then Franchisor or its designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or Franchisor's receipt of notice of the material change(s) in the sale's terms. This additional right of first refusal shall be to purchase on the terms originally offered or the modified terms, at the option of Franchisor or its designee.

10.2 Public Offerings

Despite any other provisions in this Agreement, Franchisee (and its Owners) may not attempt to raise or secure funds by selling or offering to sell any ownership interest in Franchisee (including without limitation common or preferred stock, bonds, debentures, membership interests or general or limited partnership interests) in a public offering for which a registration statement must be filed with the Securities Exchange Commission or with any similar state regulatory authority having jurisdiction over the sale of securities where registration is required as a condition of the sale of securities in that state.

XI. PRINCIPAL TRADEMARKS AND COPYRIGHTED INFORMATION

11.1 Ownership of the Principal Trademarks and Copyrighted Information

(a) Franchisee acknowledges and agrees that Franchisor and/or its affiliates are the owners of the Principal Trademarks and that Franchisor and/or its affiliates claim copyright protection in certain material used in the System and in the development and operation of Mai Sushi Bars and Mai Satellite Sushi Bars, including the Confidential Operating Manual, Advertising Materials, Social Media Materials and similar materials whether created by Franchisor, any franchisee of Franchisor and/or any third-party ("Copyrighted Information").

(b) Franchisor is authorized to license to Franchisee the limited right to use the Principal Trademarks and Copyrighted Information. Franchisee's right to use the Principal Trademarks and Copyrighted Information is derived solely from this Agreement and is limited to the conduct of business by Franchisee pursuant to and in compliance with this Agreement and all System Standards prescribed by Franchisor from time to time during the term of this Agreement. Franchisee agrees not to represent in any manner that Franchisee has acquired any ownership rights in the Principal Trademarks or Copyrighted Information. Any unauthorized use of the Principal Trademarks or Copyrighted Information by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Principal Trademarks and Copyrighted Information.

(c) Franchisee acknowledges and agrees that all usage of the Principal Trademarks and Copyrighted Information by Franchisee and any goodwill established by Franchisee's use of the Principal Trademarks and Copyrighted Information shall inure to the exclusive benefit of Franchisor and its affiliates; that this Agreement does not confer any goodwill or other interests in the Principal Trademarks or Copyrighted Information upon Franchisee; and that upon the expiration or termination of this Agreement for any reason, no monetary amount shall be assigned to Franchisee as attributable to any goodwill associated with Franchisee's use of the Principal Trademarks or Copyrighted Information.

(d) Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership, or assist another person in contesting the validity or ownership, of any of the Principal Trademarks or Copyrighted Information.

(e) All provisions of this Agreement applicable to the Principal Trademarks and Copyrighted Information apply to any additional trademarks, service marks, commercial symbols and proprietary information authorized for use by and licensed to Franchisee by Franchisor after the Effective Date.

11.2 Use of Principal Trademarks and Copyrighted Information

Franchisee shall not use any Principal Trademark or Copyrighted Information: (a) as part of any corporate or trade name; (b) with any prefix, suffix or other modifying words, terms, designs, symbols or in any modified form; (c) in connection with the sale of any unauthorized product or service; (d) as part of any domain name, homepage, electronic address or otherwise in connection with a website (unless in connection with Franchisor's approved System website); or (e) in any other manner not expressly authorized in the Confidential Operating Manual or otherwise in writing by Franchisor. Franchisee

agrees to give such notices of trademark and service mark registrations as Franchisor specifies and to obtain such fictitious or assumed name registrations required under applicable law. Franchisee agrees that this Agreement does not convey any right or property interest in the Principal Trademarks or Copyrighted Information licensed hereunder. Franchisee agrees to display the Principal Trademarks prominently at its Mai Sushi Bar and Mai Satellite Sushi Bars, if applicable, and on all Advertising Materials, Social Media Materials and other materials Franchisor designates, as Franchisor may prescribe from time to time.

11.3 Unauthorized Use of Principal Trademarks and Copyrighted Information

(a) Franchisee shall immediately notify Franchisor in writing of any apparent infringement or challenge to Franchisee's use of the Principal Trademarks or Copyrighted Information and of any claim by any person of any right in the Principal Trademarks or any similar trade name, trademark or service mark or Copyrighted Information of which Franchisee becomes aware. Franchisee shall not directly or indirectly communicate with any person other than Franchisor, its affiliates and their counsel, in connection with any such infringement, challenge or claim. Franchisor and its affiliates shall have the right to take such action as they deem appropriate (including no action) and the right to control exclusively any litigation, United States Patent and Trademark Office proceeding or other administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Principal Trademarks or Copyrighted Information. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of Franchisor, its affiliates and their counsel, be necessary or advisable to protect and maintain the interests of Franchisor and its affiliates in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or otherwise to protect and maintain the interests of Franchisor and its affiliates in the Principal Trademarks and Copyrighted Information, but shall take no action nor incur any expenses on behalf of Franchisor and its affiliates without Franchisor's prior written consent.

(b) In the event that any third-party makes a claim against Franchisee alleging that Franchisee's use of the Principal Trademarks or Copyrighted Information infringes upon the rights of such third-party, Franchisor and/or its affiliates agree to defend such claim and indemnify and hold Franchisee harmless therefrom, provided Franchisee has used the Principal Trademarks and Copyrighted Information only as expressly authorized in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor and provided further that Franchisee cooperates with Franchisor and its affiliates in the defense of such claim as set forth in this Section and in any other manner reasonably requested by Franchisor. The obligation of Franchisor and/or its affiliates to defend and indemnify with respect to such claim shall not extend to other claims made by the same third-party against Franchisor, its affiliates and/or Franchisee arising from matters for which Franchisee is responsible under applicable law or this Agreement; as to such other claims, if any, Franchisee agrees to defend the same and indemnify and hold Franchisor and its affiliates harmless therefrom.

(c) In addition to the other restrictions set forth herein regarding the use of the Principal Trademarks and Copyrighted Information:

(i) Franchisee shall use only approved signage as designated by Franchisor;

(ii) Franchisee's use of the Principal Trademarks, Copyrighted Information and other proprietary material is limited to use in conjunction with the Franchised Business;

(iii) Franchisee shall use the Principal Trademarks and Copyrighted Information as designated by Franchisor;

(iv) Franchisee shall display notice of independent ownership of the Franchised Business in signage and on all forms and marketing material as designated by Franchisor;

(v) Franchisee shall acknowledge that any of its customers are customers of the System and upon request transmit to Franchisor any records maintained by Franchisee on such customers. Franchisee shall abide by the privacy right as established by Franchisor from time to time; and

(vi) Franchisee acknowledges and agrees that Franchisee's rights to use the Principal Trademarks and Copyrighted Information granted herein shall cease to exist upon the termination or expiration of this Agreement.

11.4 Franchisor's Right to Modify

(a) If it becomes advisable at any time in Franchisor's sole discretion for Franchisor and/or Franchisee to modify or discontinue use of the Principal Trademarks, and/or use one or more additional or substitute trade names, trademarks, service marks, other commercial symbols or Copyrighted Information, Franchisee agrees to comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor. Franchisor need not reimburse Franchisee for its direct expenses of changing the signs or other materials of the Franchised Business, for any loss of revenue due to any modified or discontinued Principal Trademarks or Copyrighted Information or for Franchisee's expenses incurred in promoting a modified or substitute trade name, trademark service mark, other commercial symbols or Copyrighted Information.

(b) Franchisor's rights in this subsection apply to any and all of the Principal Trademarks (and any portion of any Principal Trademark), additional or substitute trade names, trademarks, service marks, other commercial symbols and Copyrighted Information that Franchisor authorizes Franchisee to use in this Agreement. Franchisor may exercise these rights at any time and for any reason, business or otherwise, in Franchisor's sole discretion. Franchisee acknowledges both Franchisor's right to take this action and Franchisee's obligation to comply with Franchisor's directions.

11.5 Reservation of Rights

Franchisee acknowledges and agrees that the license granted to Franchisee to use the Principal Trademarks and Copyrighted Information is non-exclusive and Franchisor and its affiliates reserve any right not specifically granted to Franchisee under this Agreement, including but not limited to the right to: (a) grant other licenses for use of the Principal Trademarks and Copyrighted Information; (b) develop and establish other systems using the Principal Trademarks and/or Copyrighted Information or other names or marks and to grant licenses thereto without providing any rights to Franchisee; and (c) engage directly or indirectly through its employees, representatives, licensees, assigns, agents and others at wholesale, retail or otherwise, in (i) the production, distribution, license and sale of products and

services, including but not limited to the Products and (ii) the use of the Principal Trademarks and Copyrighted Information (and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Franchisor) in connection with the production, distribution, licensing and sale of such products and services, including but not limited to the Products.

XII. RELATIONSHIP OF THE PARTIES

12.1 Independent Contractors

Franchisee and Franchisor understand and agree that this Agreement does not create a fiduciary relationship between the parties, that Franchisee and Franchisor are and will be independent contractors and that nothing in this Agreement is intended to make either party a special agent, joint venture partner, partner or employee of the other for any purpose. No employee of Franchisee will be considered an employee of Franchisor. Franchisor will not have the power to hire or fire Franchisee's personnel. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Franchised Business personnel and others as the owner of the Franchised Business under a franchise granted by Franchisor and to place notices of independent ownership on all forms, Advertising Materials, Social Media Materials and other materials Franchisor requires from time to time.

12.2 No Liability for Acts of Other Party

Franchisee and Franchisor may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other or represent that their relationship is other than franchisor and franchise owner. Franchisor will not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business.

12.3 Taxes

Franchisor will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee or the Franchised Business, due to the business Franchisee conducts (except for Franchisor's income taxes). Franchisee is responsible for paying these taxes and must reimburse Franchisor for any taxes that Franchisor must pay to any state taxing authority on account of Franchisee's operation of the Franchised Business or payments that Franchisee makes to Franchisor.

XIII. DEFAULT AND TERMINATION

13.1 Termination by Franchisee

Franchisee may terminate this Agreement only upon ninety (90) days prior written notice to, and the written consent of, Franchisor, which may be granted or withheld by Franchisor in its sole discretion, for any reason or no reason; provided, that Franchisor may, in its sole discretion, accept Franchisee's request to terminate this Agreement within a shorter period of time following the foregoing notice, upon notice to Franchisee. In that event, Franchisee shall remain obligated to comply with all post-termination covenants and outstanding obligations.

13.2 Termination by Franchisor

(a) Except as otherwise provided for herein, Franchisor may terminate this Agreement if Franchisee defaults under the Agreement as provided herein or is in default under any other agreement with Franchisor, its affiliates or Suppliers. Franchisor's election to terminate this Agreement with Franchisee in no way constitutes a waiver of Franchisor's rights hereunder or any other rights available at law or in equity, including its rights to damages. Termination of this Agreement encompasses termination of any and all rights granted to Franchisee by Franchisor.

(b) Notwithstanding anything to the contrary above, Franchisor may terminate this Agreement upon written notice to Franchisee in the event that the Vendor Agreement for the Retail Location in which Franchise operates its Mai Sushi Bar expires or is terminated. Additionally, Franchisor may terminate any Satellite Amendment for any Mai Satellite Sushi Bar without cause upon delivering written notice of termination to Franchisee.

13.3 Automatic Termination without Notice

Franchisee will be in default under this Agreement and all rights granted by this Agreement to Franchisee will automatically terminate without notice to Franchisee immediately upon the happening of any of the following: (a) Franchisee (or any of its Owners) makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; (b) Franchisee (or any of its Owners) files a voluntary petition in bankruptcy or an involuntary petition in bankruptcy is filed against Franchisee and such petition is not withdrawn within thirty (30) days; (c) Franchisee (or any of its Owners) consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of its property; (d) the Franchised Business location is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; or (e) any order appointing a receiver, trustee or liquidator of Franchisee (or any of its Owners) or the Franchised Business is not vacated within thirty (30) days following the order's entry.

13.4 Termination by Franchisor upon Notice

Franchisor may terminate this Agreement by written notice of termination to Franchisee without an opportunity to cure, effective immediately upon delivery of notice if any of the following occur:

(a) Franchisee (or any of its Owners) has made or makes any material misrepresentation or omission in acquiring the franchise or operating the Franchised Business;

(b) Franchisee engages in any business activity not approved by Franchisor, including the sale of products or services not approved by Franchisor or fails to obtain the written approval of Franchisor as required;

(c) Franchisee (or any of its Owners) is or has been convicted by a trial court of or pleads or has pleaded no contest to a felony, a crime of moral turpitude or any other crime or offense relating to the operation of the Franchised Business;

(d) Franchisee (or any of its Owners) engages in any dishonest or unethical conduct which in Franchisor's opinion adversely affects the reputation of the Franchised Business or the goodwill associated with the Principal Trademarks;

(e) Franchisee fails to pay when due any federal or state income, service, sales or other taxes due on the operation of the Franchised Business unless Franchisee is in good faith contesting its liability for these taxes;

(f) Franchisee (or any of its Owners): (i) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice; or (ii) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice;

(g) Franchisee violates any health, safety or sanitation law, ordinance or regulation or operates the Franchised Business in an unsafe manner and does not begin to cure the violation immediately and correct the violation within seventy-two (72) hours after Franchisee receives notice from Franchisor or any other party;

(h) Franchisee and/or its Owners fail to comply with the restrictions on use of Confidential Information contained in Article VII and the Confidentiality, Non-Use and Non-Competition Agreement or otherwise fail to refrain from copying, duplicating, recording or reproducing the Confidential Operating Manual;

(i) Franchisee fails to comply with any of the requirements pertaining to Franchisor's proprietary information or Principal Trademarks;

(j) Franchisee (or any of its Owners) makes or attempts to make an unauthorized assignment of this Agreement, an ownership interest in Franchisee or the Franchised Business;

(k) Franchisee relocates or attempts to relocate the Franchised Business without the prior written approval of Franchisor;

(l) Franchisee is no longer permitted by the Retail Operator to operate a Mai Sushi Bar at the Retail Location;

(m) Franchisee fails on two (2) or more occasions within a six (6) month period to (i) follow the recipes, preparation instructions and methods for preparation of various menu items, use the required ingredients to prepare menu items, or (ii) obtain ingredients and goods from Suppliers, as required; or

(n) Franchisee (or its Operating Principal) fails to pass a credit and criminal background check to the satisfaction of Franchisor in its sole discretion.

13.5 Termination by Franchisor after Notice and Opportunity to Cure

Unless otherwise specified herein, Franchisee will have ten (10) days or any greater number of days permitted by Franchisor or required by law, to cure any default for which Franchisor has given written notice of termination under this Section 13.5 and to provide Franchisor with satisfactory evidence of the cure. If the default is not cured within the prescribed period, this Agreement will terminate without the need for further notice effective immediately on the expiration date of the cure period. These curable defaults are each of the following:

(a) Franchisee fails to maintain any and all licenses required by law;

(b) Franchisee fails to pay Franchisor, its affiliates or any Suppliers any amounts due;

(c) Franchisee fails to provide any reports and information when due;

(d) Franchisee and/or its Operating Principal fail to transfer Franchisee's interest in this Agreement and the Franchised Business or the Operating Principal's ownership interest in Franchisee to a third-party after Franchisee's and/or its Operating Principal's death or disability pursuant to Section 9.4;

(e) Franchisee does not commence operating the Franchised Business within two (2) months days after the Effective Date of this Agreement, unless such time is extended by Franchisor;

(f) Franchisee (or its Operating Principal) and/or other required employees do not complete the Initial Training Program to the satisfaction of Franchisor in its sole discretion;

(g) Franchisee abandons or fails actively and continuously to operate the Franchised Business. A failure to operate the Franchised Business for a period in excess of three (3) consecutive days shall be deemed a default, whether or not as a result of the fault of Franchisee, except where closure is due to fire, riot, flood, acts of terrorism or natural disaster and Franchisee notifies Franchisor within five (5) days after the particular occurrence to obtain Franchisor's written approval to remain closed for an agreed upon amount of time as is necessary under the circumstances before Franchisee will be required to re-open;

(h) Franchisee fails to maintain or remodel the Mai Sushi Bar when required by Franchisor;

(i) Franchisee fails to comply with laws as required herein;

(j) Franchisee or any guarantor(s) hereof default in any other agreement with Franchisor, its affiliates and/or any Supplier, including but not limited to the Sublicense Agreement and Satellite Amendment(s), and such default is not cured in accordance with the terms of such other agreement.

(k) Franchisee underreports Gross Sales by two percent (2%) or more in any report on three (3) or more occasions within a thirty-six (36) month period during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(l) Franchisee underreports Gross Sales by more than five percent (5%) in any report during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(m) Franchisee refuses to operate a Mai Satellite Sushi Bar if such operation is required by Franchisor;

(n) Except as otherwise provided in this Article, Franchisee (or any of its Owners) fails to comply with any other provision of this Agreement, any System Standard or as specified in the Confidential Operating Manual or otherwise by Franchisor in writing;

(o) Franchisee fails to maintain required insurance, which Franchisee shall have three days to cure; or

(p) The failure of Franchisee's Franchised Business of a quarterly Food Safety Audit and a First Food Safety Re-Audit under Subsection 6.6(f).

13.6 Franchisee's Obligations on Termination or Expiration

Franchisee shall have the following obligations on termination or expiration of this Agreement unless as otherwise indicated:

(a) Franchisee shall pay to Franchisor, its affiliates and Suppliers within fifteen (15) days after the effective date of termination or expiration of this Agreement all sums owed (including all Royalties and Brand Fund Contributions) by Franchisee to Franchisor, its affiliates, and Suppliers which are then unpaid. Upon termination for any default by Franchisee, Franchisee shall also pay all actual and consequential damages, costs and expenses including attorneys' fees incurred by Franchisor as a result of the default;

(b) Franchisee shall immediately cease to be a Mai franchisee and shall immediately cease operating the Franchised Business. Franchisee may not directly or indirectly at any time or in any manner identify itself or in any business as a current or former Mai franchisee or as one of Franchisor's current or former franchisees; use any Principal Trademark, any colorable imitation of a Principal Trademark or other indicia of the Franchised Business in any manner or for any purpose; use in any advertising, marketing or promotion any methods, procedures or techniques associated with the System including any Advertising Materials and Social Media Materials; use for any purpose any trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with Franchisor; or use any proprietary software used in the System;

(c) Franchisee agrees to take the action required to cancel all fictitious or assumed names or equivalent registrations relating to its use of any of the Principal Trademarks within fifteen (15) days of termination or expiration;

(d) If Franchisor does not exercise its option to purchase the Franchised Business pursuant to Section 13.7, Franchisee must de-identify each Mai Sushi Bar and Mai Satellite Sushi Bar operated by Franchisee under this Agreement by making all physical changes necessary, including but not limited to removing any and all equipment, trade dress, décor, physical

characteristics, color combination, signage and uniforms indicative of the System. Franchisee agrees to return to Franchisor (at no charge or cost to Franchisor) within thirty (30) days all signs, Advertising Materials, Social Media Materials, forms and other materials containing any of the Principal Trademarks or otherwise identifying or relating to the System and to allow Franchisor, without liability to Franchisor or third-parties, to enter each Retail Location in which Franchisee operated a Mai Sushi Bar or Mai Satellite Sushi Bar and to make any change Franchisor deems appropriate and to remove any of the aforementioned items from each Retail Location;

(e) Franchisee shall immediately cease using and shall return to Franchisor (at no charge or cost to Franchisor) the Confidential Operating Manual, training materials, proprietary software, database material, customer lists, records, files, instructions, forms, Advertising Materials, Social Media Materials and related items which bear the Principal Trademarks, all trade secrets, confidential material, all copies, equipment and other property owned by Franchisor or its affiliates, within thirty (30) days of termination or expiration of this Agreement. Franchisee shall retain no copy or record of any of the foregoing; provided however, Franchisee may retain its copy of this Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any applicable provision of law;

(f) Franchisee and its Owners and employees shall comply with the Confidentially, Non-Use and Non-Competition provisions of Exhibits 5 and 6, which survive termination or expiration of this Agreement and all post-term covenants as set forth in Article IX of this Agreement, which shall also survive termination and expiration of this Agreement.

(g) Franchisee shall cease using any telephone numbers, website addresses, URLs, domain names, email addresses, Social Media Platform accounts and other similar listings associated with Franchisee's Mai Sushi Bar or Mai Satellite Sushi Bar;

(h) Franchisee shall notify the telephone company, all telephone directory publishers, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts and providers and any and all other web based platforms or programs or other media, including, but not limited to, all Social Media Platforms in which the Franchised Business is listed or Principal Trademarks displayed of the termination or expiration of its right to use any telephone, facsimile or other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including, but not limited to, Social Media Platform accounts and other media in which the Franchised Business is listed or the Principal Trademarks is displayed;

(i) Franchisee shall authorize and not interfere with the transfer of Franchisee's telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, Social Media Platform accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed to Franchisor;

(j) Franchisor shall instruct the telephone company, all websites, URLs and any other advertising entities or websites to forward all calls made to Franchisee's telephone, facsimile or other numbers as well as Internet and website searches made for Franchisee's websites and URLs, to those telephone number(s) and website(s) and URL(s) that Franchisor specifies and Franchisee

shall take all actions necessary to effectuate the forwarding of such calls and Internet and website searches to telephone number(s), website(s) and/or URL(s) Franchisor specifies;

(k) Franchisee shall provide Franchisor with a complete list of employees, clients and customers of the Franchised Business, together with their respective telephone numbers and addresses and a complete list of any outstanding obligations Franchisee may have to any third parties;

(l) Franchisee agrees and acknowledges that in addition to any other rights and remedies to which Franchisor and its affiliates may be entitled, Franchisor and its affiliates may enforce any rights and remedies of a secured party under the UCC as enacted in the state where the Retail Location is located, pursuant to the security interest granted in Section 6.15 herein, including but not limited to the right to enter each Retail Location in which Franchisee operated a Mai Sushi Bar or Mai Satellite Sushi Bar to remove and repossess any equipment, products and goods in which Franchisor and its affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases Franchisor and its affiliates from any and all claims in connection therewith and arising therefrom. At the request of Franchisor or its affiliates following an event of default, Franchisee shall assemble and make available to Franchisor and its affiliates all equipment, products and goods in which Franchisor and its affiliates have been granted a security interest, at a place to be designated by Franchisor or its affiliates which is reasonably convenient to both parties; and

(m) Franchisee shall give to Franchisor, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to Franchisor of Franchisee's compliance with these obligations.

13.7 Right to Purchase Franchised Business

Without limiting any other rights contained herein, upon termination of this Agreement (except where Franchisee enters into a successor agreement), then Franchisor shall have the option of acquiring the assets of the Franchised Business, including, but not limited to, the Operating Assets as Franchisor may determine, at the book value of such assets with no value attributable to goodwill, which the parties hereby agree and acknowledge belongs solely to Franchisor. Franchisor may, in its sole discretion, deliver cash, notes payable monthly in no less than five (5) years or some combination of each as payment for the assets of the Franchised Business.

13.8 Notice Required By Law

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement or the parties to this Agreement limits Franchisor's rights of termination under this Agreement or requires longer notice or cure periods than those set forth above, then this Agreement will be considered modified to conform to the minimum notice, cure periods or restrictions upon termination required by applicable laws and regulations. However, Franchisor will not be precluded from contesting the validity, enforceability or application of the laws or regulations in any action, proceeding, hearing or dispute relating to this Agreement or the termination of this Agreement.

13.9 Liquidated Damages - Lost Future Profits

(a) The parties recognize the difficulty of ascertaining damages to Franchisor resulting from premature termination of this Agreement before its expiration. For this reason, Franchisor and Franchisee have provided for liquidated damages for the lost benefits of the bargain for Franchisor. Such liquidated damages represent Franchisor's and Franchisee's best estimate as to the damages arising from the circumstances in which they are provided; are only damages for the future profits lost to Franchisor due to the termination of this Agreement before its expiration; are not a penalty or as damages for breaching this Agreement; and are not in lieu of any other payment or remedy for existing defaults.

(b) If at any time, Franchisee terminates this Agreement without Franchisor's written consent or this Agreement is terminated by Franchisor for cause, then Franchisee agrees to pay Franchisor within ten (10) days of termination an amount equal to the product of (i) a fraction, the numerator of which is actual number of months remaining in the term of this Agreement ~~times the monthly average amount of the Royalties, Brand Fund Contributions and other fees owed by Franchisee under the relevant sections~~, and the denominator of which is the total number of months included in the term of this Agreement ~~for the twelve (12) month period prior to termination (or the entire term prior to termination if less than twelve (12) months) based on Franchisee's actual Gross Sales, and reduced by a discount of eight percent (8%) to produce the present value of Franchisor's lost profits.~~, times (ii) the initial franchise fee paid by Franchisee pursuant to Section 4.1 herein.

(c) Franchisee will be entitled to a credit against the sums calculated according to subsection (b) for all amounts paid to Franchisor in advance for that period.

(d) These damages are in addition to any monies due to Franchisor for past due payments or any other actual or consequential damages.

XIV. UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)

(a) Any delay in Franchisor's or Franchisee's performance of any duties under this Agreement or any non-performance of such duties that is not Franchisee's or Franchisor's fault (as applicable) or within Franchisee's or Franchisor's reasonable control, including but not limited to: fire; floods; natural disasters; Acts of God; war; riots or other civil disturbances; acts by public enemies; compliance with governmental acts, laws, rules or regulations which were not in effect and could not be reasonably anticipated as of the date of this Agreement; inability to secure necessary governmental priorities for materials; any delays or defaults in deliveries by common carriers and/or postal services and/or overnight couriers; computer network outages; strikes or other labor disturbances; interference by civil or military authorities; and any other similar event beyond such party's control without its fault or negligence will not constitute a breach or cause a default under this Agreement, provided, however, that Franchisor or Franchisee (as applicable) will take all steps reasonably possible to mitigate damages caused by such failure or delay.

(b) Notwithstanding the foregoing, if any such failure or delay continues for more than one hundred eighty (180) days, then Franchisor will have the right at any time thereafter during the continuance of such failure or delay to terminate this Agreement upon thirty (30) days advance written notice to Franchisee.

XV. WAIVER AND DELAY

No waiver or delay in either party's enforcement of any term, covenant or condition of this Agreement which has been breached will be construed as a waiver by that party of any preceding or succeeding breach, or any other term, covenant or condition of this Agreement. Without limiting any of the foregoing, the acceptance of payment of any amounts will not be, nor be construed to be, payment in full or satisfaction of all amounts due and owing or any amounts to become due and shall not be, nor construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

XVI. FRANCHISOR'S WITHHOLDING OF CONSENT: EXCLUSIVE REMEDY

In no event may Franchisee make any claim for money damages based on any claim or assertion that Franchisor has unreasonably withheld or delayed any consent or approval to a proposed act by Franchisee under the terms of this Agreement. Franchisee waives any such claim for damages. Franchisee may not claim any such damages by way of set-off, counterclaim or defense. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the Agreement provisions, for specific performance or for declaratory judgment.

XVII. NOTICE OF FRANCHISOR'S ALLEGED BREACH AND RIGHT TO CURE; AND PERIOD TO BRING CLAIM

17.1 Notice

Franchisee agrees to give Franchisor immediate written notice of any alleged breach or violation of this Agreement after Franchisee has constructive or actual knowledge of same, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach of this Agreement by Franchisor including any acts of misfeasance or nonfeasance, whether or not Franchisee believes, determines or is of the opinion that provision of such notice would be futile. Franchisor shall have ninety (90) days from Franchisor's receipt of Franchisee's notice to cure such alleged breach. If Franchisee does not give written notice to Franchisor of any alleged breach of this Agreement within ninety (90) days from the date that Franchisee has constructive or actual knowledge of, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach by Franchisor then Franchisor's alleged breach will be considered to be condoned, approved, waived and ratified by Franchisee; there will not be considered to be a breach of this Agreement by Franchisor; and Franchisee will be permanently barred from commencing any action against Franchisor for Franchisor's alleged breach or violation or defending any claim brought by Franchisor or its affiliates against Franchisee based on Franchisor's alleged breach or violation. Franchisee agrees that the purported futility of providing Franchisor with notice of an alleged breach shall not excuse the obligation to provide notice, as required hereunder, and such notice and cure period shall be deemed a condition precedent to any claim made by Franchisee.

17.2 Right to Cure

In addition to all other remedies granted pursuant to this Agreement, if Franchisee defaults in the performance of any of its obligations or breaches any term or condition of this Agreement or any related agreement, then Franchisor may, at its election, immediately or at any time thereafter, without waiving any claim for breach under this Agreement and without notice to Franchisee, cure the default on

Franchisee's behalf. Franchisor's costs and expenses associated with curing the default and all related expenses will be due and payable by Franchisee on demand.

17.3 Periods in which to Make Claims

(a) Any and all claims and actions arising out of or relating to this Agreement brought by any party against the other or any affiliate must be commenced within one (1) year from when the party knew or should have known in the exercise of reasonable diligence of such claim or action.

(b) Notwithstanding the foregoing limitations, where any federal, state or local law provides for a shorter limitation period than above described, whether upon notice or otherwise, such shorter period will govern.

(c) The foregoing limitations may, where brought into effect by Franchisor's failure to commence an action within the time periods specified, operate to exclude Franchisor's right to sue for damages but will in no case, even upon expiration or lapse of the periods specified or referenced above, operate to prevent Franchisor from terminating Franchisee's rights and Franchisor's obligations under this Agreement as provided herein and under applicable law nor prevent Franchisor from obtaining any appropriate court judgment, order or otherwise which enforces and/or is otherwise consistent with such termination.

(d) The foregoing limitations shall not apply to Franchisor's claims arising from or relating to: (i) Franchisee's under-payment or non-payment of any amounts owed to Franchisor or any affiliate or otherwise related entity; (ii) indemnification by Franchisee; (iii) Franchisee's confidentiality, non-use, non-competition or other exclusive relationship obligations; and/or (iv) Franchisee's unauthorized use of the Principal Trademarks.

XVIII. INJUNCTION

Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the System and the Principal Trademarks. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement, or any unauthorized or improper use of the System or the Principal Trademarks by Franchisee, will cause irreparable damage to Franchisor and other Mai franchisees. Franchisee therefore agrees that if it engages in this non-compliance or unauthorized and/or improper use of the System or Principal Trademarks, during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against Franchisee from any court of competent jurisdiction, in addition to all other remedies which Franchisor may have at law. Franchisee consents to the entry of these temporary and permanent injunctions.

XIX. INTEGRATION OF AGREEMENT

19.1 Integration of Agreement

(a) This Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements; provided, however, that nothing in this Agreement is intended to disclaim the

representations Franchisor made in the franchise disclosure document that Franchisor provided to Franchisee.

(b) The Confidential Operating Manual and the terms contained therein are incorporated by reference in this Agreement, form a part of this Agreement and are enforceable pursuant to the terms of this Agreement.

19.2 No Oral Modification

This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that Franchisor's obligations are confined exclusively to the terms in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise.

XX. NOTICES

20.1 Notices

Any notice required or permitted to be given under this Agreement must be in writing; must be delivered to the other party personally, by certified mail (and return receipt requested, postage prepaid) or by documented overnight delivery with a reputable carrier and will be effective on the date that delivery is documented to have been first attempted. Any notice to Franchisor will be addressed to Franchisor at:

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC
6390 Hedgewood Drive, Suite 300
Allentown, PA 18106
Attn: Reeta Ale Magar

With a copy to:
Klehr Harrison Harvey & Branzburg LLP
1835 Market Street, Suite 1400
Philadelphia, Pennsylvania 19103
Attn: Justin D. Csik, Esq.

Any notice to Franchisee will be sent
to: Franchisee

_____

_____

_____

Either party to this Agreement may, in writing on ten (10) days' notice, inform the other of a new or changed address to which notices under this Agreement should be sent.

XXI. MISCELLANEOUS

21.1 Execution, Construction and Interpretation

(a) This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same instrument. Facsimile or other electronic execution signatures will be considered as binding and conclusive as if original, provided that any party so executing must use all commercially reasonable efforts to furnish to the other party(ies) the originally executed document at the earliest opportunity.

(b) The titles and subtitles of the various Articles, Sections and subsections of this Agreement are inserted for convenience and will not affect the meaning or construction of any of the terms, provisions, covenants and conditions of this Agreement. The terms used in this Agreement, regardless of the number and gender in which they are used shall be construed to include the other number (singular or plural), and other genders (masculine, feminine, or neuter), as the context or sense of this Agreement or any Articles, Sections or subsections may require. The language of this Agreement will be in all cases construed simply according to its fair and plain meaning and not strictly for or against Franchisor or Franchisee.

(c) It is agreed that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

(d) The parties agree to execute all other documents and perform all further acts necessary or desirable to carry out the purposes of this Agreement.

(e) Each reference in this Agreement to a corporation or partnership will also refer to a limited liability company, general or limited partnership and any other entity or similar organization. Each reference to the organizational documents, shareholders, directors, officers and stock of a corporation in this Agreement will also refer to the functional equivalents of the organizational documents, shareholders, directors, officers and voting and/or equity rights, as applicable, in the case of a limited liability company, general partnership, limited partnership or any other entity or similar organization (this specifically includes members and managers, general and limited partners, membership interests and general and limited partnership interests).

21.2 Severability

Nothing contained in this Agreement may be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation required to be made applicable to this Agreement, the latter will prevail, but the affected provision of this Agreement will be curtailed and limited only to the extent necessary to bring it within the requirement of the law. If any Article, Section, subsection, sentence or clause of this Agreement is held to be indefinite, invalid or otherwise unenforceable, the entire Agreement will not fail for this reason and the balance of the Agreement will continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement (other than for the payment of money) so unreasonable as to be unenforceable as a matter of law, the court may

declare a reasonable modification of this Agreement and this Agreement will be valid and enforceable and the parties agree to be bound by and perform this Agreement as so modified.

21.3 Similar Agreements

Franchisor makes no warranty or representation that anything contained in this Agreement may be construed as requiring that all Mai franchise agreements heretofore or hereafter issued by Franchisor contain terms substantially similar to those contained in this Agreement. Further, Franchisee agrees and acknowledges that Franchisor may, in its reasonable business judgment, due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other Mai franchisees in a non-uniform manner, subject to those provisions of this Agreement which require Franchisor to act toward its franchisees on a reasonably non-discriminatory basis.

XXII. COSTS OF ENFORCEMENT; ATTORNEYS' FEES; GOVERNING LAW; JURISDICTION AND VENUE; CONSEQUENTIAL AND PUNITIVE DAMAGES; AND JURY WAIVER

22.1 Costs of Enforcement

Franchisor will be entitled to recover from Franchisee all costs and expenses including attorneys' fees for any failure to pay any amounts when due or any other failure to comply with this Agreement. Franchisor will also be entitled to recover from Franchisee attorneys' fees, experts' fees, court costs and all other expenses of litigation if Franchisor prevails in any action instituted against Franchisee to secure or protect Franchisor's rights under this Agreement; to enforce the terms of this Agreement or any agreement between Franchisee and Franchisor; or in any action commenced or joined in by Franchisee against Franchisor.

22.2 Attorneys' Fees

If Franchisor becomes a party to any action or proceeding arising out of or relating to this Agreement or any and all related agreements, as a result of any claimed or actual act, error or omission of Franchisee (and/or any of Franchisee's Owners, officers, directors, management, employees, contractors and/or representatives) or the Franchised Business; by virtue of statutory, "vicarious," "principal/agent" or other liabilities imposed on Franchisor as a result of Franchisor's status as Franchisor; or if Franchisor becomes a party to any litigation or any insolvency proceeding involving Franchisee pursuant to any bankruptcy or insolvency code (including any adversary proceedings in conjunction with bankruptcy or insolvency proceedings), then Franchisee will be liable to Franchisor and must promptly reimburse Franchisor for the attorneys' fees, experts' fees, court costs, travel and lodging costs and all other expenses Franchisor incurs in such action or proceeding regardless of whether such action or proceeding proceeds to judgment. In addition, Franchisor will be entitled to add all costs of collection, interest, attorneys' fees and experts' fees to Franchisor's proof of claim in any insolvency or bankruptcy proceeding which Franchisee files.

22.3 Governing Law

This Agreement, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with

and/or governed by (as applicable) the law of the Commonwealth of Pennsylvania without recourse to Pennsylvania (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of Pennsylvania, and if the Franchised Business is located outside of Pennsylvania and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Section 22.3 is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the Commonwealth of Pennsylvania or any other state, which would not otherwise apply.

22.4 Dispute resolution; Jurisdiction and Venue

(a) Franchisor and Franchisee hereby agree to submit any claim and/or controversy arising out of or relating to this Agreement (and any related document), the relationship created by this Agreement, and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, to non-binding mediation to be held in Allentown, Pennsylvania prior to bringing such claim, controversy or dispute to litigation, as provided for in Section 22.4(b) below.

(i) Any mediation under this subsection 22.4(a) shall be conducted by a single mediator mutually agreed to by the parties. If within thirty (30) days after a demand for mediation is made, the parties are unable to agree on a single mediator, a mediator shall be selected in the following manner: Franchisor and Franchisee shall obtain an identical list of mediators from the American Arbitration Association, containing an odd number of mediators, and shall take alternating turns striking the name of an mediator off the list until one name remains. Franchisee shall strike the first name off the list. Mediation shall be conducted in accordance with the American Arbitration Association's rules governing mediation.

(ii) The costs and expenses of mediation, including, but not limited to, compensation and expenses of the mediator (and except for the attorney fees incurred by either party), shall be borne by the parties equally.

(iii) If the parties are unable to resolve the claim, controversy or dispute within ninety (90) days after the mediator has been chosen, then either party may bring an arbitration proceeding under subsection 22.4(b) below to resolve such claim, controversy or dispute unless such time period is extended by written agreement of the parties.

(b) With respect to any claims, controversies or disputes which are not definitively resolved through mediation or as otherwise provided in subsection 22.4(a) above, Franchisee agrees to institute any litigation that Franchisee may commence arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort or otherwise, exclusively in a court of competent jurisdiction which is either a Pennsylvania state court in Allentown, Pennsylvania or the United States District Court for the Eastern District of Pennsylvania. Franchisee agrees that any dispute as to the venue for any litigation Franchisee institutes will be submitted to and resolved exclusively by either a Pennsylvania state court or the United States District Court for the Eastern District of Pennsylvania. Franchisee hereby waives and covenants never to assert or claim that this venue is

for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including any claim under the judicial doctrine of forum non conveniens).

(c) Franchisee further agrees that with respect to any claims, controversies or disputes which are not definitively resolved through mediation or as otherwise provided in subsection 22.4(a) above, Franchisor may institute any litigation that Franchisor commences arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties; and, any and all disputes between the parties, whether sounding in contract, tort or otherwise, in any court of competent jurisdiction wherever situated that Franchisor selects. Franchisee agrees that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and be resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate, (including any claim under the judicial doctrine of forum non conveniens).

22.5 Consequential or Punitive Damages

IN NO EVENT WILL FRANCHISOR BE LIABLE TO FRANCHISEE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT; ANY BREACH, TERMINATION, CANCELLATION OR NON-RENEWAL OF THIS AGREEMENT; OR IN ANY OTHER ACTION OR PROCEEDING WHATSOEVER BETWEEN THE PARTIES TO THIS AGREEMENT AND/OR ANY OF THEIR AFFILIATES. FRANCHISEE HEREBY WAIVES AND COVENANTS NEVER TO ADVANCE ANY SUCH CLAIM FOR CONSEQUENTIAL OR PUNITIVE DAMAGES.

22.6 Waiver of Trial by Jury

TO THE EXTENT THAT EACH MAY LAWFULLY DO SO, FRANCHISEE AND FRANCHISOR BOTH WAIVE THEIR RIGHT TO A TRIAL BY JURY IN ANY ACTION THAT MAY BE BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION HEREWITH.

XXIII. GUARANTEE

(a) If Franchisee is a partnership, corporation or a limited liability company, personal guarantees shall be required from all Owners. Such personal guarantees must be executed on Franchisor's standard form Guarantee (Exhibit 7) concurrently with the execution of this Agreement. Franchisor may also require the spouse of each Owner to execute the Guarantee (Exhibit 7) concurrently with the execution of this Agreement.

(b) If Franchisee is in breach or default under this Agreement, Franchisor may proceed directly against each such individual and/or entity without first proceeding against Franchisee and without proceeding against or naming in the suit any other such individuals and/or entities. Franchisee's obligations and those of each such individual and/or entity will be joint and several. Notice to or demand upon one such individual and/or entity will be considered notice to or demand upon Franchisee and all such individuals and/or entities and no notice or demand need be made to or upon all such individuals and/or entities. The cessation of or release from liability of Franchisee or any such individual and/or entity will not relieve any other individual and/or entity from liability

under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

XXIV. SURVIVAL

Any provision of this Agreement which imposes an obligation following the termination or expiration of this Agreement will survive the termination or expiration and will continue to be binding upon the parties to this Agreement. This Agreement will be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

XXV. FRANCHISEE'S REPRESENTATIONS AND ACKNOWLEDGMENTS

25.1 Franchisee's Representations

Franchisee represents and warrants to Franchisor with the intention that Franchisor is relying thereon in entering into this Agreement that:

(a) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, then Franchisee is organized under the laws of the state of its principal place of business (or another state which Franchisee has identified to Franchisor) and is in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Franchised Business.

(b) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, Franchisee has all corporate power and authority to execute, deliver, consummate and perform this Agreement and it will be binding upon Franchisee and its successors and assigns when executed.

(c) Franchisee does not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of Franchisee's current financial statements which Franchisee has furnished to Franchisor before the execution of this Agreement.

(d) As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending, nor to Franchisee's knowledge or the knowledge (after due inquiry) of any of its officers, directors, Owners or Operating Principals (as applicable), threatened in any court or arbitral forum or before any governmental agency or instrumentality against Franchisee, its officers, directors, Owners or Operating Principals. Nor to the best of Franchisee's knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of Franchisee's assets, properties, rights or business; Franchisee's right to operate and use its assets, properties or rights to carry on its business; and/or which affects or could affect Franchisee's right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

(e) Neither Franchisee nor any of its Owners is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with or be breached by the execution, delivery, consummation and/or performance of this Agreement.

(f) All Franchisee's representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

25.2 Franchisee's Acknowledgments

Franchisee acknowledges, warrants and represents to Franchisor that:

(a) No representation has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the Franchised Business, or any other Mai enterprise.

_____
INITIALS

(b) No representation or statement has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) regarding Franchisor's anticipated income, earnings and growth or that of the System, or the viability of the business opportunity being offered under this Agreement.

_____
INITIALS

(c) Before executing this Agreement, Franchisee has had the opportunity to contact any and all of Franchisor's existing franchisees.

_____
INITIALS

(d) Franchisee has had the opportunity to independently investigate, analyze and understand both the business opportunity being offered under this Agreement and the terms and provisions of this Agreement, using the services of legal counsel, accountants or other advisers (if Franchisee so elects) of its choosing. Franchisee has been advised to consult with Franchisee's advisers with respect to the legal, financial and other aspects of this Agreement, the Franchised Business and the prospects for that Franchised Business. Franchisee has either consulted with these advisors or has deliberately declined to do so.

_____
INITIALS

(e) Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise, at least fourteen (14) calendar days before the execution of this Agreement and at least fourteen (14) calendar days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

_____
INITIALS

(f) If Franchisee resides in or will operate the Franchised Business in New York or Rhode Island, then Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise at the earlier of the: (i) first personal meeting between Franchisor or its agent and Franchisee; at (ii) least ten (10) business days before the execution of this Agreement; or (iii) at least ten (10) business days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

_____
INITIALS

(g) No representation or statement has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) regarding Franchisee's ability to procure any required license or permit that may be necessary to the offering of one or more of the services contemplated to be offered by the Franchised Business.

_____
INITIALS

(h) Franchisee affirms that all information set forth in all applications, financial statements and submissions to Franchisor are true, complete and accurate in all respects and Franchisee expressly acknowledges that Franchisor is relying on the truthfulness, completeness and accuracy of this information.

_____
INITIALS

(i) Attached hereto as Exhibit 8 is a Franchise Compliance Certification. Franchisee shall have received and answered the questions thereon, relating to representations that have or have not been made to Franchisee. Franchisee has initialed and executed the Franchise Compliance Certification voluntarily and attached it hereto.

_____
INITIALS

(j) Franchisee understands and agrees that Franchisor may operate and change the System and Franchisor's business in any manner that is not expressly prohibited by this Agreement. Whenever Franchisor has the right within this Agreement to take or withhold action or to grant or decline to Franchisee the right to take or withhold action, Franchisor may make such a decision on

the basis of Franchisor's best interests and those of the System and the franchise network, without regard to whether other reasonable alternative decisions exist or whether Franchisor's decision adversely affects Franchisee. Absent applicable statute, Franchisor shall have no liability for such a decision and Franchisee agrees that Franchisor's decision will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, then Franchisee agrees that such a covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants to Franchisor the right to make decisions, take actions and/or refrain from taking actions that are inconsistent with Franchisee's rights and obligations hereunder.

INITIALS

Nothing in this Section 25.2 shall waive any liability the Franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

XXVI. SUBMISSION OF AGREEMENT

The submission of this Agreement to Franchisee does not constitute an offer. This Agreement will become effective only upon the execution of this Agreement by both Franchisor and Franchisee. The date of execution of this Agreement will be the Effective Date.

THIS AGREEMENT WILL NOT BE BINDING ON FRANCHISOR UNLESS AND UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF FRANCHISOR. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE OTHER THAN THOSE SET FORTH IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT. FRANCHISEE HAS READ ALL OF THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS OF THE FOREGOING AGREEMENT.

FRANCHISEE:
If a corporation or other entity:

_____
(Name of Corporation or Other Entity)

By:_____
(Signature) (Date)

Its:_____
(Print Title/Print Name)

If an individual:

_____
(Signature) (Date)

_____
(Print Name)

_____
(Signature) (Date)

_____
(Print Name)

FRANCHISOR:

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC

By:_____
(Signature) (Date)

FRANCHISE AGREEMENT
EXHIBIT 1

PRINCIPAL TRADEMARKS

PRINCIPAL TRADEMARK	REGISTRATION OR APPLICATION NUMBER	REGISTRATION OR APPLICATION DATE
	Reg. #: 5,431,380	Reg. Date: March 27, 2018

The Principal Trademarks are owned by Hana Group US, LLC.

There are no existing or pending material determinations of the US Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any state or any court, no pending infringement, opposition or cancellation actions, nor any other pending material litigation involving the Principal Trademarks.

FRANCHISE AGREEMENT
EXHIBIT 2

SUBLICENSE AGREEMENT

This Sublicense Agreement (this "Agreement") is made by and between Hana Group Franchising, LLC d/b/a Mai Franchising, LLC, having an address at 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106 ("Sublicensor") and _____, having an address at _____ ("Sublicensee") this__day of _____, 20___.

W I T N E S S E T H:

WHEREAS, pursuant to a vendor license agreement or similar agreement (a "Vendor Agreement") between _ ("Retail Operator") and Sublicensor, the Retail Operator has licensed space within one or more of their Retail Locations to Sublicensor for the purpose of Sublicensor, its affiliates or franchisees of Sublicensor to operate a Mai Sushi Bar or Mai Satellite Sushi Bar;

WHEREAS, the Vendor Agreement grants Sublicensor the right to sublicense to franchisees of Sublicensor a license to operate a Mai Sushi Bar or Mai Satellite Sushi Bar to be located on the licensed premises; and

WHEREAS, Sublicensor and Sublicensee agree that the purpose of this Agreement is to allow the Sublicensee to operate a Mai Sushi Bar or Mai Satellite Sushi Bar under the terms of the Vendor Agreement attached hereto and the Franchise Agreement with Hana Group Franchising, LLC d/b/a Mai Franchising, LLC dated _____ (the "Franchise Agreement").

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. The premises licensed to Sublicensee hereunder are for the operation of a _____ (indicate either a Mai Sushi Bar or a Mai Sushi Satellite Bar).

2. The premises licensed to Sublicensee hereunder are located within a _____ located at _____ (the "Licensed Premises").

3. Sublicensee has inspected the Licensed Premises and accepts the same as is.

4. [Reserved.]

5. Sublicensee is also aware that changes between the Retail Operator and Sublicensor may be incorporated into this Agreement, the Vendor Agreement or other agreements between the parties and the Sublicensor and Sublicensee agree to negotiate in good faith to modify this Agreement, as may be necessary.

6. Sublicensor hereby sublicenses the Licensed Premises to the Sublicensee for the term commencing on the date first written above and terminating on the earlier of (i) _or (ii) the date the Vendor Agreement expires or is terminated minus one (1) day. In no event shall the term of this

Agreement be coterminous with the Vendor Agreement or have a term that expires on a date subsequent to the date the Vendor Agreement is set to expire or is terminated.

7. Sublicensee agrees and acknowledges that compensation for this Sublicense shall be retained by the Retail Operator, in accordance with the terms of the Vendor Agreement and as set forth in greater detail in the Franchise Agreement between Sublicensor and Sublicensee. Without limiting the terms or conditions set forth in the Vendor Agreement, the Sublicensee agrees and acknowledges that on a monthly basis, the Retail Operator will calculate the Sublicensee's Gross Sales from the operation of a Mai Sushi Bar or Mai Satellite Sushi Bar at the Licensed Premises and the Retail Operator shall retain a percentage of Sublicensee's Gross Sales (the "Retail Commission") as its compensation.

8. Sublicensee may extend the term of this Sublicense provided that (i) the Sublicensee has complied with the successor agreement provisions contained within the Franchise Agreement and (ii) the Vendor Agreement remains in full force and effect. To extend the term of this Sublicense, Sublicensee shall provide Sublicensor with written notice in the same form and manner and within the same time period required by the Franchise Agreement for Sublicensee to enter into a successor agreement.

9. Sublicensee agrees that the Sublicensor may elect not to extend the term of this Agreement if the Sublicensee has not satisfied all of the conditions necessary to enter into a successor agreement, in accordance with the terms and conditions of the Franchise Agreement.

10. Sublicensee agrees to perform and observe all of the obligations of the Sublicensor under the Vendor Agreement with respect to operation of a Mai Sushi Bar or Mai Satellite Sushi Bar at the Licensed Premises.

11. In addition to any indemnity and insurance provisions contained in the Vendor Agreement, Sublicensee agrees at all times during the term of this Agreement and for such prior or further term as a Sublicensee occupies or has possession of the Licensed Premises, and thereafter relating to such period of occupancy, to indemnify, defend, and hold harmless the Sublicensor and its affiliates, and the shareholders, officers, directors, employees, and agents of the Sublicensor and its affiliates, from and against all liability, injury, loss, cost (including attorneys' fees), damage and expense in respect any injury or death of any persons and/or damage to any property while in or around the Licensed Premises.

12. Licensee agrees to obtain and maintain insurance in accordance with the Vendor Agreement and the Franchise Agreement naming all such indemnified persons as additional insureds which shall be primary and non-contributory.

13. If at any time during the term of this Agreement, Sublicensee shall default in the performance of any of the terms of this Agreement, the Vendor Agreement or the Franchise Agreement, Sublicensor may terminate this Agreement on ten (10) days' written notice to Sublicensee, and upon such termination, Sublicensee shall quit and surrender the Licensed Premises to Sublicensor but Sublicensee shall remain liable for the balance of any and all amounts due to the Retail Operator and Sublicensor as provided in this Agreement and/or the Vendor Agreement. Further, upon termination of this Agreement, Sublicensee shall take no action to prevent Sublicensor from entering the Licensed Premises and regaining possession of the Licensed Premises.

14. Sublicensee agrees that upon such default the Retail Operator and/or Sublicensor may demand, receive and collect any monies due or thereafter falling due without in any manner effecting such default or any notice of suit, action, order or judgment related to the default. Upon termination of this Agreement, any payment made by the Sublicensee to the Sublicensor or Retail Operator or any court shall not: (a) reinstate, continue or extend the term of this Agreement; (b) effect any notice previously given to the Sublicensee; or (c) operate as a waiver of the right of the Sublicensor to recover possession of the Licensed Premises by proper suit, action, proceeding or remedy. All monies collected shall be deemed to be payments made in accordance with the terms of this Agreement or applied toward any outstanding balances owed by the Sublicensee.

15. Sublicensor and Sublicensee agree that trial by jury shall be waived in the event of litigation. Sublicensee agrees to pay to Sublicensor or Retail Operator, as applicable, upon demand, as an additional license fee, any fees, costs or charges, including attorneys' fees and legal costs, incurred by the Sublicensor or Retail Operator i n enforcing any of the terms or provisions of this Agreement or the Vendor Agreement, including without limitation for collecting any unpaid or late amounts or eviction proceedings.

16. Sublicensee may assign the rights in and to this Agreement only to a franchisee of Hana Group Franchising, LLC d/b/a Mai Franchising, LLC for use as a Mai Sushi Bar or Mai Satellite Sushi Bar, provided that such assignment is made upon the prior written consent of the Sublicensor and Retail Operator, if required under the Vendor Agreement. If Sublicensor consents to the assignment of this Agreement, such consent shall not operate to release the Sublicensee from its obligations under this Agreement or the Vendor Agreement.

17. Sublicensor is hereby conveying to Sublicensee, subject to the terms and conditions of this Agreement, only those rights to the Licensed Premises acquired by Sublicensor by virtue of the Vendor Agreement. The Vendor Agreement describes the Retail Operator's duties which the Sublicensor is not obligated to perform. If the Retail Operator fails to perform its duties under the Vendor Agreement, the Sublicensee must send Sublicensor a notice in the same form and manner required by the Franchise Agreement. Upon receipt of the notice, the Sublicensor may, in its sole discretion, notify the Retail Operator and demand performance of the agreement contained in the Vendor Agreement. Sublicensee agrees and acknowledges that Sublicensee has not entered into an agreement directly with Retail Operator and accordingly, Sublicensee may not bring an action against the Retail Operator without the prior written consent of Sublicensor, which Sublicensor may withhold for any reason or no reason at all. In the event Sublicensee wishes to engage the services of an attorney to settle any disputes arising out of the Vendor Agreement, all fees and costs shall be borne by Sublicensee. Sublicensee agrees and acknowledges that Sublicensor is under no obligation to bring or defend any action brought by or against the Sublicensee, or the Retail Operator.

18. Sublicensee shall not make any agreement with the Retail Operator which could modify, cancel or terminate this Agreement.

19. Sublicensee understands that the building in which the Licensed Premises are contained (the "Building") must comply with the requirements of the Americans with Disabilities Act of 1990 (ADA) and other applicable codes or ordinances. Sublicensee acknowledges that under certain circumstances Sublicensee may have the responsibility to assisting and cooperating with the Retail Operator to ensure that the Building complies with the ADA and other applicable codes or ordinances.

Sublicensee shall bear all costs associated with the provision of such assistance and cooperation. Sublicensor may also have certain responsibilities and obligations to ensure that the Building is in compliance with the ADA or other applicable codes. In consideration of Sublicensor executing this Agreement, Sublicensee further agrees to indemnify the Sublicensor for any legal fees, other expenses and damages ensuing from any lawsuit, government investigation or government enforcement action brought by an individual, group of individuals or any government agency for violation of the ADA or other applicable codes or ordinances.

20. This Agreement must be signed by each individual who signed the Franchise Agreement as franchisee, each of whom shall be jointly and severally liable under this Agreement. This Agreement, the Franchise Agreement and agreements entered simultaneously therewith contain the entire agreement between Sublicensor and Sublicensee with respect to the Licensed Premises. This Agreement may only be amended or provisions hereof waived or modified, in writing.

21. This Agreement may be executed in one or more counterparts, any one of which need not contain the signature of more than one party and all of which taken together will constitute one and the same agreement. This Agreement will become effective when fully executed and delivered to by all parties whether in one or more counterparts.

22. Unless otherwise provided for herein, capitalized terms used in this Agreement that are defined in the Franchise Agreement will have the meanings given to them in the Franchise Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SUBLICENSOR:

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC

Name:_____

Its: _____

SUBLICENSEE:

Name: _____

Its: _____

FRANCHISE AGREEMENT
EXHIBIT 3

SATELLITE AMENDMENT

This Satellite Amendment ("Agreement"), dated this _____ day of _____, by and between Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") having an address at 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106, ("Franchisee"), having an address at

W I T N E S S E T H:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises for the operation of Mai sushi bars and Mai satellite sushi bars specializing in pre-packaged and made to order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items; and

WHEREAS, Franchisee is an individual or entity which has entered into a Franchise Agreement with Franchisor ("Franchise Agreement") for the operation of a Mai Sushi Bar;

WHEREAS, Franchisee desires to operate a Mai Satellite Sushi Bar and Franchisor desires to grant to Franchisee the right to operate a Mai Satellite Sushi Bar; and

WHEREAS, any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement and/or the Sublicense Agreement, as applicable.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Grant of Sublicense.

a. Franchisor hereby grants Franchisee a license to operate a Mai Satellite Sushi Bar in accordance with terms and conditions of this Agreement. Franchisee shall operate a Mai Satellite Sushi Bar located within a _____located at _____, which Franchisee agrees and acknowledges is located in proximity to an existing operating Mai Sushi Bar operated by Franchisee at the following address: _____.

b. Franchisee agrees and acknowledges that this Agreement grants a separate license from the license granted in the Franchise Agreement for the operation of Mai Sushi Bar. Franchisee further agrees and acknowledges that this Agreement may expire or be terminated without expiration or termination of the Franchise Agreement.

c. Franchisee understands that its Mai Satellite Sushi Bar is not a Mai Sushi Bar and that the Mai Satellite Sushi Bar will only operate with the support of the Franchisee's Mai Sushi Bar, as provided for in the Franchise Agreement, the Confidential Operations Manual or otherwise set forth in writing by Franchisor.

2. No Territory Rights. Franchisee agrees and acknowledges that this Agreement and the Franchisor's guidelines for locating Mai satellite sushi bars do not grant to Franchisee any area, market,

territory, franchise or other rights except as provided herein and Franchisor shall retain and may convey to any other any right not expressly granted to Franchisee herein.

3. Term of Satellite Amendment.

a. Franchisee agrees and acknowledges that the term of this Agreement commences on the date of this Agreement until the termination or expiration of the Franchise Agreement, unless sooner terminated in accordance with the terms and conditions herein.

b. Franchisee agrees and acknowledges that Franchisor may terminate this Agreement without cause upon delivery of notice of termination to Franchisee.

c. Franchisee agrees and acknowledges that because the operation of the Mai Satellite Sushi Bar depends upon the existence and support of the Franchisee's Mai Sushi Bar, the termination or expiration of the Franchise Agreement for Franchisee's Mai Sushi Bar will automatically terminate this Agreement. Franchisee further agrees and acknowledges that a default under the Franchise Agreement is a default under this Agreement.

4. Initial Franchise Fee. Franchisor agrees and acknowledges that Franchisee shall not be charged a separate initial fee for entering into this Agreement and accepting the grant of the license to operate a Mai Satellite Sushi Bar.

5. Retail Commissions and Royalty.

a. As a condition precedent to entering into this Agreement, Franchisee shall execute a Sublicense Agreement in the form attached as Exhibit 2 to the Franchise Agreement. The Sublicense Agreement shall grant Franchisee a license to operate a Mai Satellite Sushi Bar at the Licensed Premises. The Sublicense Agreement, among other things, shall require Franchisee to operate its Mai Satellite Sushi Bar in accordance with a Vendor Agreement.

b. Franchisee agrees and acknowledges that Franchisee shall not receive payments from customers for the sales of Products from Franchisee's Mai Satellite Sushi Bar. Payments for Products will be made by customers directly to the Retail Operator where the Mai Satellite Sushi Bar is located through the cash register system of the Retail Operator.

c. The Vendor Agreement shall provide that, on a monthly basis, the Retail Operator will calculate the Gross Sales of Franchisee's Mai Satellite Sushi Bar for the prior month and the Retail Operator will retain a percentage of the Gross Sales of Franchisee's Mai Satellite Sushi Bar for the prior month as its "Retail Commission."

d. The Retail Commission rate may vary by Retail Operator and Retail Location but typically ranges between twenty percent (20%) and ~~twenty-eight~~thirty percent (~~28~~30%) of Gross Sales.

e. After the Retail Operator retains its Retail Commission, it will remit the balance of the Gross Sales to Franchisor by a date provided for in the Vendor Agreement. Franchisor shall then deduct its Royalty from that amount. The Royalty rate is a percentage equal to ~~forty~~forty-five percent (~~40~~45%) less the Retail Commission rate. For example, if the Retail Commission rate is ~~twenty-five~~thirty percent (~~25~~30%), then the Royalty rate is fifteen percent (15%). The Royalty amount

that Franchisor shall deduct from the Gross Sales of Franchisee's Mai Satellite Sushi Bar will be an amount equal to the Royalty rate times the Gross Sales of Franchisee's Mai Satellite Sushi Bar for the prior month.

f. The amount remaining from the Gross Sales of Franchisee's Mai Satellite Sushi Bar after deduction of the Retail Commission and the Royalty, which is equal to ~~sixty~~fifty-five percent (~~60~~55%) of the Gross Sales, is referred to as "Franchise Commissions." Franchisor shall deduct from the Franchise Commissions other charges due to Franchisor and/or any affiliate before remitting the balance to Franchisee. Typically, Franchisor will remit the balance of the Franchise Commissions to Franchisee within two (2) weeks of Franchisor's receipt from the Retail Operator of the Gross Sales of Franchisee's Mai Satellite Sushi Bar for the prior month.

g. Franchisor's obligation to remit the Franchise Commissions to Franchisee is subject to Franchisor's receipt of payment from the Retail Operator. If after deducting the Royalty and all other charges due to Franchisor and any affiliate, there is a balance due to Franchisor or an affiliate, the balance will be deducted from Franchisee's next months' Franchise Commissions until the balance has been paid in full. Franchisee shall not be entitled to any portion of the Gross Sales or Franchise Commissions until after all deductions have been made and all charges due to Franchisor or an affiliate have been paid in full.

h. Franchisee agrees and acknowledges that the Retail Commission rate and the Royalty rate may differ for each Mai Sushi Bar and/or Mai Satellite Sushi Bar Franchisee's operate depending on the terms and conditions of each Vendor Agreement. However, the total of the Retail Commission rate and the Royalty rate will always be ~~forty~~forty-five percent (~~40~~45%) of the Gross Sales.

6. Training. Franchisee agrees and acknowledges that Franchisor does not have a separate training program for operators of Mai Satellite Sushi Bars and Franchisor is not obligated to provide Franchisee with any additional training in connection with the operation of a Mai Sushi Satellite Bar.

7. Operation.

a. Franchisee shall prepare the Products at its Mai Sushi Bar and shall transport Products for sale to its Mai Satellite Sushi Bars, in accordance with federal, state and local health requirements for safe transport of Products. Franchisee agrees and acknowledges that the design, layout, equipment and operation of the Mai Satellite Sushi Bar must be in compliance with the System Standards.

b. Franchisee shall commence operation of the Mai Satellite Sushi Bar no later than two (2) months of the date of this Agreement.

c. Franchisee agrees and acknowledges that Franchisee's obligations concerning Local Advertising expenditures and Brand Fund contributions, as contained within the Franchise Agreement, shall apply to Franchisee's operation of this Mai Satellite Sushi Bar.

8. Insurance. Franchisee agrees and acknowledges that the insurance coverage requirements provided for in the Franchise Agreement apply to the Mai Satellite Sushi Bar. Accordingly, Franchisee shall obtain and maintain insurance coverage for its Mai Satellite Sushi Bar identical to that of its Mai Sushi Bar. Further, Franchisee shall be required to obtain automobile liability coverage, including

coverage of owned, non-owned and hired vehicles with coverage in the amount of at least $1,000,000 with combined single limits of $500,000 per occurrence for bodily injury and property damage.

9. Advertising Cooperative; Advertising Council. For purposes of any advertising cooperative or advertising council, Franchisee agrees and acknowledges that the Mai Satellite Sushi Bar shall not be counted as a separate sushi bar and the right to vote shall be based solely on Franchisee's Mai Sushi Bar.

10. Transfer. Franchisee agrees and acknowledges Franchisee may not transfer this Agreement or the Mai Satellite Sushi Bar separate and apart from the Mai Sushi Bar. Further, Franchisee agrees and acknowledges that Franchisee may not transfer the Franchise Agreement or the Mai Sushi Bar without transferring this Agreement and the Mai Satellite Sushi Bar.

11. Capitalized Terms. Unless otherwise provided for herein, capitalized terms used in this Agreement that are defined in the Franchise Agreement or the License Agreement will have the meanings given to them in the Franchise Agreement or the License Agreement, as applicable.

12. Complete Understanding. Franchisee agrees and acknowledges that the terms and conditions of the Franchise Agreement are incorporated by reference into this Agreement and that the Franchise Agreement for the Mai Sushi Bar and this Satellite Amendment contain the entire understanding of the parties concerning the Franchisee's operation of the Mai Satellite Sushi Bar. To the extent that this Agreement is inconsistent with any term or condition of the Franchise Agreement, this Agreement shall govern the Franchisee's operation of the Mai Satellite Sushi Bar granted herein. Franchisee agrees and acknowledges that Franchisee shall continue to be bound by all the terms and conditions of the Franchise Agreement and this Agreement.

13. The individuals signing this Agreement as franchisee must be identical at all times to the individuals who are the parties to the Franchise Agreement, as reflected in Franchisor's records.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

FRANCHISOR:

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC

Name:_____

Its: _____

FRANCHISEE:

Name: _____

Its: _____

FRANCHISE AGREEMENT
EXHIBIT 4

GENERAL RELEASE (this "Release")

To all to whom these Presents shall come or may Concern, Know That _____ _____ [a corporation organized under the laws of the State of _____] [an individual domiciled in the State of _____] ("Franchisee") and its Owners (as defined in the Franchise Agreement) collectively as "Releasor", in consideration of the consent of Hana Group Franchising, LLC d/b/a Mai Franchising, LLC to the assignment or renewal of the Franchise Agreement between Franchisee and Hana Group Franchising, LLC d/b/a Mai Franchising, LLC (the "Franchise Agreement") or the relocation of its Mai Sushi Bar or Mai Satellite Sushi Bar, and for other good and valuable consideration, Releasor hereby releases and discharges Hana Group Franchising, LLC d/b/a Mai Franchising, LLC as "Releasee", Releasee's corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities), and Releasee's heirs, executors, administrators, successors and assigns (collectively the "Released Parties"), from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Released Parties, the Releasor ever had, now have or hereafter can, shall or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this Release, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that all liabilities arising under rights enjoyed by Releasor under said Franchise Agreement and any causes of action arising in his, her or its favor from the laws of the Commonwealth of Pennsylvania without recourse to Pennsylvania(or any other) choice of law or conflicts of laws principle and any regulations issued by the Commonwealth of Pennsylvania shall remain in force; it being the intent of this proviso that any non-waiver provision of the laws of the Commonwealth of Pennsylvania shall be satisfied. Additionally, (i) any liabilities arising under any other applicable state law that may not be released in this context shall not be released and shall be excluded from this Release without otherwise affecting the validity of this Release, and (ii) this Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This Release may not be changed orally.

IN WITNESS WHEREOF, the Releasor (if an individual) *has executed this RELEASE*, and if a corporation or other entity) has *caused this RELEASE to be executed by a duly authorized officer and its seal to be hereunto affixed on* _____, _____.

RELEASOR

[SEAL]

Name: _____

Its: _____

ACKNOWLEDGMENT FOR CORPORATE RELEASOR

STATE OF _____

COUNTY OF _____ ss.

On _____ personally before me _____ came _____ _____ say that deponent, to me known, who, by me duly sworn, did depose and resides at _____ _____, that deponent is the _____of _____, the corporation described in the foregoing Release, and which executed said Release, that deponent knows the seal of the corporation, that the seal affixed to the Release is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires: _____
(NOTARY SEAL)

ACKNOWLEDGMENT FOR INDIVIDUAL RELEASOR

STATE OF _____

ss.:

COUNTY OF _____

On this _____day of _____, before me _____(Name of Notary) the undersigned officer, personally appeared, to me personally known, and known to me to be the same person whose name is signed to the foregoing Release, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires: _____

(NOTARY SEAL)

FRANCHISE AGREEMENT
EXHIBIT 5

CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT

AGREEMENT, dated this _____ day of _____ ,_____, by and between Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") having an address at 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106, _____ having an address at _____ ("Franchisee"), and _____ having an address at _,_____having an address at _ _____and _____ having an address at _____ (collectively the "Owners").

W I T N E S S E T H:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises in the business of operating Mai sushi bars and Mai satellite sushi bars offering pre-packaged and made to order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items; and

WHEREAS, Franchisee is an individual or entity which has entered into a Franchise Agreement with Franchisor ("Franchise Agreement"); and

WHEREAS, during the course of the relationship between Franchisor and Franchisee certain information has been and/or will be provided to and received by Franchisee and its Owners relating to the Franchisor, including without limitation, certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding: (i) the Franchisor, its affiliates and its subsidiaries; (ii) the development, management and operation of Mai franchised businesses, including without limitation: (a) the Confidential Operating Manual; (b) operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System; (c) recipes, preparation instructions and methods for preparation of various menu items and inventory system methods including those relating to inventory control, storage, product and handling; (d) site selection criteria; (e) training and operations materials and manuals; (f) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques; (g) business forms and accounting procedures; (h) Advertising Materials, Social Media Materials and use of Social Media Platforms; (i) database material, customer lists, records, files, instructions and other proprietary information; (j) identity of suppliers and knowledge of supplier discounts, specifications, processes, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment; (k) any computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials; (l) knowledge of the operating results and financial performance of the System other than the Franchised Business; and (m) graphic designs and related intellectual property (collectively "Confidential Information") which Franchisor and its affiliates consider proprietary.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgments

(a) Franchisee and its Owners acknowledge that Franchisee and its Owners have been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of Confidential Information that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the Confidential Information ; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee and its Owners is disclosed in confidence; (v) Franchisee and its Owners have no right to disclose any Confidential Information to anyone who is not a Recipient pursuant to a Confidential Business Relationship, as such terms are defined below; (vi) Franchisee and its Owners will not acquire any ownership interest in the Confidential Information or the System; and (vii) use or duplication of the Confidential Information and/or the System or any part of the Confidential Information and/or the System in any other business by Franchisee and/or its Owners would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Franchisee and its Owners on his, her and/or their own behalf and, if a corporation, limited liability company or partnership on behalf of its officers, directors, shareholders, members, partners, employees, agents, affiliates, pledges and agrees that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity and will only disclose those parts of the System that a Recipient needs to know; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will inform its affiliates and the professional and financial advisors of Franchisee, its Owners and Franchisee's affiliates of the confidential nature of the Confidential Information; (v) will not reproduce or use the Confidential Information; (vi) will have a system in place to ensure that the Recipients keep confidential Franchisor's trades secrets and Confidential Information; and (vii) will cause any individual or entity ("Recipient") who is or is about to be employed by Franchisee or has entered or is about to enter into some form of contractual relationship with Franchisee (collectively "Confidential Business Relationship") pursuant to which Recipient shall likely receive Confidential Information in furtherance of the Confidential Business Relationship to execute a Confidentiality, Non-Use and Non-Competition Agreements Form in the form attached to the Franchise Agreement as Exhibit 6.

(b) Confidential Information provided by Franchisor to Franchisee, its Owners, its professional and financial advisors, its affiliates and their respective professional and financial advisors or to any other third party in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee, its Owners, Franchisee's affiliates, professional advisors and financial advisors or any other third party shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and

shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

3. Covenants

(a) Franchisee and its Owners acknowledge that Franchisor has granted Franchisee the franchise in consideration of and reliance upon the agreement of Franchisee and its Owners to deal exclusively with Franchisor; to maintain the confidentiality of all of the Confidential Information; to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Section 2 above; and to protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that (i) pursuant to the Franchise Agreement, Franchisee and its Owners will have access from the Franchisor and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee under the Franchise Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Mai franchisees if Mai franchisees and owners were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right to hold interest in or perform services for Competitive Businesses by Franchisee or its Owners will not unreasonably or unnecessarily hinder the activities of Franchisee or its Owners.

(c) Accordingly, Franchisee and its Owners covenant and agree that during the term of the Franchise Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination or expiration of the Franchise Agreement (regardless of the cause for termination or expiration); (ii) the Transfer, as defined in the Franchise Agreement, of the franchise; or (iii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Franchisee and each of its Owners and Guarantors shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of the Franchised Business to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System.

(2) Employ or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor or any Mai franchisee or develop, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission.

(3) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that

equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of the Franchise Agreement, there is no geographical limitation on these restrictions, meaning that Franchisee and each of its Owners and Guarantors shall not engage in the conduct referred to in subsections 3(c)(1), (2) and (3) at any location. During the two year period following the later of: (i) the termination or expiration of the Franchise Agreement (regardless of the cause for termination or expiration); (ii) the Transfer of the franchise; or (iii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(1) at the location of each of Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar, as those terms are defined in the Franchise Agreement;

(2) within ten (10) miles of each of Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar;

(3) within ten (10) miles of the location of any other Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of the Franchise Agreement;

(4) within ten (10) miles of the location of each Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of (a) termination or expiration of the Franchise Agreement (regardless of the cause for termination or expiration); or (b) Transfer of the franchise; or

(5) within ten (10) miles of the location of each Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of entry of any final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Franchisee and its Owners further covenant and agree that for a period of two (2) years following the expiration, termination or transfer of the Franchise Agreement, Franchisee or its Owners will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the Mai Sushi Bar or Mai Satellite Sushi Bar location to any person, firm, partnership corporation or other entity that Franchisee or its Owners know or has reason to know intends to operate a Competitive Business at that location.

(f) Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of this Agreement.

(g) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(h) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates, including but not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchisees at or near the Franchisee's former location and within the territorial boundaries of the restrictive covenant described above in subsection 3(d)(1), (2), (3), (4) and (5); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non- Competition Agreement (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(i) Franchisor shall have the right, in its sole discretion to reduce the scope of any covenant contained in this Section 3 effective immediately upon Franchisee's receipt of written notice and Franchisee agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement

Franchisee and its Owners acknowledges that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee may have against Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions

(a) As used herein, (with respect to Franchisee) "affiliates" means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee. For purposes of this definition, the term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(b) The term "Competitive Business" means (i) any business involving the establishment and/or operation of sushi bar or similar restaurant that offers pre-packaged or made-to-order sushi,

Japanese food, soups, hot or cold rice, hot or cold noodle bowls, hot or cold vegetable bowls or other similar food items, or (ii) any business granting franchises or licenses to others to operate such a business.

(c) The term "Owners" shall mean any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of over five percent (5%) in Franchisee, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of over five percent (5%) in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity. Franchisee represents that the individuals identified in the introductory paragraph herein as "Owners" constitute all of the "Owners" as defined by this paragraph.

(d) Any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement.

6. Miscellaneous

(a) Franchisor and/or its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Franchisee and shall not be liable, directly or indirectly, to Franchisee or any of Franchisee's subsidiaries or affiliates as a result of any use of the Confidential Information by or on behalf of Franchisee and/or its subsidiaries or affiliates. Franchisee specifically waives any and all claims for any loss or damage suffered by it due to its use of the Confidential Information and agrees to indemnify and hold Franchisor and its affiliates harmless for any claims made against Franchisor and/or its affiliates based upon Franchisee's provision of the Confidential Information to third parties.

(b) This Confidentiality, Non-Use and Non-Competition Agreement shall be binding upon and shall inure to the benefit of Franchisor and Franchisee and their respective subsidiaries, affiliates, successors and assigns.

(c) This Confidentiality, Non-Use and Non-Competition Agreement shall be governed by the laws of the Commonwealth of Pennsylvania without recourse to Pennsylvania (or any other) choice of law or conflict of law principles.

(d) This Agreement contains the complete understanding of Franchisee and Franchisor with respect to the Confidential Information and this Confidentiality, Non-Use and Non-Competition Agreement shall not be amended without the prior written consent of the parties.

(e) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC

Name: _____

Its: _____

Franchisee: _____

Name: _____

Its: _____

Owners:

_____

_____

_____

FRANCHISE AGREEMENT
EXHIBIT 6

CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT FORM

AGREEMENT, dated this _____ day of _____ , _____, by and between ____

_____ ("Franchisee") having an address at _____, having an address at _____ ("Recipient"), and ___ having an address at _____, having an address at _____, and _____(collectively the "Owners").having an address at _____

W I T N E S S E T H:

WHEREAS, Franchisee is principally engaged in the business operating a Mai sushi bar and/or Mai satellite sushi bars offering pre-packaged and made to order sushi, Japanese food, soups, hot and cold rice, hot and cold noodle bowls, hot and cold vegetable bowls and other food items under the name Mai pursuant to a franchise agreement with Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchise Agreement");

WHEREAS, Recipient is an individual or entity who is or is about to be employed by Franchisee or has entered or about to enter into some form of contractual relationship with Franchisee (collectively the "Confidential Business Relationship") pursuant to which Recipient shall likely receive Confidential Information in furtherance of the Confidential Business Relationship; and

WHEREAS, during the course of the Confidential Business Relationship certain information, knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law has been and/or will be provided to and received by Recipient and its Owners regarding: (i) the Franchisor, its affiliates and its subsidiaries; (ii) the development, management and operation of Mai franchised businesses, including without limitation: (a) the Confidential Operating Manual; (b) operational specifications, standards, systems and procedures and knowledge and experience used in developing and operating the System; (c) recipes, preparation instructions and methods for preparation of various menu items and inventory system methods including those relating to inventory control, storage, product and handling; (d) site selection criteria; (e) training and operations materials and manuals; (f) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques; (g) business forms and accounting procedures; (h) Advertising Materials, Social Media Materials and use of Social Media Platforms; (i) database material, customer lists, records, files, instructions and other proprietary information; (j) identity of suppliers and knowledge of supplier discounts, specifications, processes, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment; (k) any computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials; (l) knowledge of the operating results and financial performance of the System other than the Franchised Business; and (m) graphic designs and related intellectual property (collectively "Confidential Information") which Franchisor and its affiliates consider proprietary.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgment

(a) Recipient and its Owners acknowledge that Recipient has been and/or will be given access to the Confidential Information during the course of the Confidential Business Relationship.

(b) Recipient and its Owners acknowledge that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of Confidential Information that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the Confidential Information; (iv) all Confidential Information now or hereafter provided or disclosed to Recipient and its Owners is disclosed in confidence; (v) Recipient and its Owners have no right to disclose any Confidential Information to anyone, in the absence of prior written consent by Franchisee; (vi) Recipient and its Owners will not acquire any ownership interest in the Confidential Information and/or the System; and (vii) the use or duplication of the Confidential Information or the System or any part of the Confidential Information or the System in any other business by Recipient and/or its Owners would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Recipient and its Owners on his, her or their own behalf and, if a corporation, limited liability company or partnership on behalf of its officers, directors, shareholders, members, partners, employees, agents and affiliates, pledges and agrees that for a period commencing on the date of the Confidential Business Relationship and continuing thereafter, in the absence of prior written consent by Franchisee: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity and will only disclose those parts of the System that Franchisee directs; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisee's use; (iv) will inform its professional and financial advisors, affiliates and its Owners of the confidential nature of the Confidential Information; (v) will not reproduce or use the Confidential Information; (vi) will have a system in place to ensure that its employees, agents and independent contractors keep confidential the Confidential Information; and (vii) will cause its employees, agents and independent contractors to execute Confidentiality, Non-Use and Non-Competition Agreements Form in this form.

(b) Confidential Information provided by Franchisor, its affiliates and/or Franchisee to Recipient, its Owners, its professional and financial advisors, its affiliates and their respective professional and financial advisors in the course of the Confidential Business Relationship shall be returned to Franchisee immediately upon termination or expiration of the Confidential Business Relationship. Recipient, its Owners, its affiliates, professional advisors and financial advisors shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

3. Covenants

(a) Recipient and its Owners acknowledge that Franchisee has entered into the Confidential Business Relationship in consideration of and reliance upon the agreement of Recipient and its Owners to deal exclusively with Franchisee; to maintain the confidentiality of all of the Confidential Information; to refrain from using any Confidential Information in any manner not permitted by Franchisor, its affiliates and/or Franchisee in accordance with Section 2 above; and to protect and preserve the goodwill of the Franchisor.

(b) Recipient and its Owners further acknowledge and agree that (i) pursuant to the Confidential Business Relationship, it and its Owners will have access from the Franchisor, its affiliates and/or Franchisee to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Recipient pursuant to the Confidential Business Relationship are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Mai franchisees if recipients were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right to hold interest in or perform services for Competitive Businesses by Recipient or its Owners will not unreasonably or unnecessarily hinder the activities of Recipient or its Owners.

(c) Accordingly, Recipient and its Owners covenant and agree that during the term of the Confidential Business Relationship and for an uninterrupted period of two (2) years after the later of: (i) the termination or expiration of the Confidential Business Relationship (regardless of the cause for termination or expiration and regardless of the terms of the Confidential Business Relationship); or (ii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Recipient and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of the Franchise's Franchised Business to any competitor or otherwise take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(2) Employ or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its affiliates, Franchisee or any Mai franchisee or develop, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission; or

(3) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of

ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of the Confidential Business Relationship, there is no geographical limitation on these restrictions, meaning that Recipient and each of its Owners shall not engage in the conduct referred to in subsections 3(c)(1), (2) and (3) at any location. During the two year period following the later of: (i) the termination or expiration of the Confidential Business Relationship (regardless of the cause for termination or expiration and regardless of the terms of the Confidential Business Relationship); or (ii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(1) at the location of each of Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar, as those terms are defined in the Franchise Agreement;

(2) within ten (10) miles of each of Franchisee's Mai Sushi Bar and Mai Satellite Sushi Bar;

(3) within ten (10) miles of the location of any other Mai Sushi Bar and/or Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of the Franchise Agreement;

(4) within ten (10) miles of the location of each Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of (a) termination or expiration of the Franchise Agreement (regardless of the cause for termination or expiration); or (b) Transfer of the franchise; or

(5) within ten (10) miles of the location of each Mai Sushi Bar and Mai Satellite Sushi Bar owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates on the date of entry of any final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Recipient and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of the Confidential Business Relationship.

(f) Recipient and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Recipient or its Owners of their personal goodwill or ability to earn a living.

(g) Recipient and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates, including but not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchisees at or near the Franchisee's former Mai franchised business and within the territorial boundaries of the restrictive covenant described above in subsection 3(d)(1), (2), (3), (4) and (5); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition

from Recipient; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non- Competition Agreement Form (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(h) Franchisor, its affiliates and Franchisee shall have the right, in its sole discretion to reduce the scope of any covenant contained in this Section 3 effective immediately upon Recipient's receipt of written notice and Recipient agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement

Recipient and its Owners acknowledges that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisee, Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Recipient and its Owners hereby consent to the entry of an injunction procured by Franchisee, Franchisor and/or its affiliates prohibiting any conduct by Recipient and its Owners in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Recipient and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Recipient and its Owners expressly agree that any claims Recipient may have against Franchisee, Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisee, Franchisor and/or its affiliates. Recipient and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisee, Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions

(a) As used herein, (with respect to Recipient) "affiliates" means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Recipient. For purposes of this definition, the term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(b) The term "Competitive Business" means: (i) any business involving the establishment and/or operation of sushi bar or similar restaurant that offers pre-packaged or made-to-order sushi, Japanese food, soups, hot or cold rice, hot or cold noodle bowls, hot or cold vegetable bowls or other similar food items; or (ii) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(c) The term "Owner" means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Recipient (or at such later time as they assume such status), whether or

not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Recipient entity. Recipient represents that the individuals identified in the introductory paragraph herein as "Owners" constitute all of the "Owners" as defined by this paragraph.

6. Miscellaneous.

(a) Franchisee, Franchisor and its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Recipient and shall not be liable, directly or indirectly, to Recipient or any of Recipient's subsidiaries or affiliates as a result of any use of the Confidential Information by or on behalf of Recipient and/or its subsidiaries or affiliates. Recipient specifically waives any and all claims for any loss or damage suffered by it due to its use of the Confidential Information and agrees to indemnify and hold Franchisee, Franchisor and its affiliates harmless for any claims made against Franchisee, Franchisor and/or its affiliates based upon Recipient's provision of the Confidential Information to third parties.

(b) If all or any portion of the covenants not to compete set forth in this Agreement are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits, and should not by necessity invalidate the entire covenants. Recipient and its Owners acknowledge and agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenants were separately stated in and made a part of this Agreement.

(c) This Agreement shall be binding upon and shall inure to the benefit of Franchisee and Recipient and their respective subsidiaries, affiliates, successors and assigns.

(d) This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania without recourse to Pennsylvania (or any other) choice of law or conflicts of law principles.

(e) This Agreement contains the complete understanding of Recipient and Franchisee with respect to the Confidential Information and this Agreement shall not be amended without the prior written consent of the parties.

(f) Recipient acknowledges that Franchisor and its affiliates are third-party beneficiaries under this Agreement and may enforce this Agreement. Recipient further acknowledges that: (i) a copy of this Agreement is being delivered to Franchisor; (ii) Franchisor is relying on the parties' compliance with this Agreement; and (iii) this Agreement may not be amended, or terminated nor any rights or obligations of Recipient waived hereunder without the prior written consent of the Franchisor.

(g) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Franchisee: _____

Name: _____

Its: _____

Recipient: _____

Name: _____

Its: _____

Recipient's Owners:

_____

_____

_____

FRANCHISE AGREEMENT
EXHIBIT 7

GUARANTEE

In consideration of the execution by Franchisor of the Franchise Agreement (the "Franchise Agreement") dated the _____ day of _____, 20_____, between Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") and _____ ("Franchisee") and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors and assigns, do jointly, individually and severally hereby absolutely and unconditionally guarantee the payment of all amounts and the performance of all covenants, terms, conditions, agreements and undertakings contained and set forth in said Franchise Agreement, including without limitation to the covenants contained in Article VIII thereof and in any other agreement(s) by and between Franchisee and Franchisor, including but not limited to any Sublicense Agreement and Satellite Amendment.

If more than one person has executed this Guarantee, the term "the undersigned", as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

The undersigned, individually and jointly, hereby agree to be personally bound by each and every covenant, term, condition, agreement and undertaking contained and set forth in said Franchise Agreement and any other agreement(s) by and between Franchisee and Franchisor and agree that this Guarantee shall be construed as though the undersigned and each of them executed agreement(s) containing the identical terms and conditions of the Franchise Agreement and any other agreement(s) by and between Franchisee and Franchisor.

The undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder (a) any term, covenant or condition of the Franchise Agreement may be amended, compromised, released or otherwise altered by Franchisor and Franchisee, and the undersigned do guarantee and promise to perform all the obligations of Franchisee under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Franchise Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guarantee or any other instrument or agreement between Franchisor and Franchisee may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and (d) Franchisor or any other person may deal in any manner with Franchisee, any of the undersigned, any party to the Franchise Agreement or any other person.

Should Franchisee be in breach or default under the Franchise Agreement or any other agreement(s) by and between Franchisee and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, signatory to the Franchise Agreement or any others of the undersigned.

Notice to or demand upon Franchisee or any of the undersigned shall be deemed notice to or demand upon Franchisee and all of the undersigned, and no notice or demand need be made to or upon any or all of the undersigned. The cessation of or release from liability of Franchisee or any of the

undersigned shall not relieve any other guarantor from liability hereunder, under the Franchise Agreement, or under any other agreement(s) between Franchisor and Franchisee, except to the extent that the breach or default has been remedied or moneys owed have been paid.

Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Franchise Agreement or any other agreement(s) by and between Franchisee and Franchisor, shall in no way modify or amend this Guarantee, which shall be continuing, absolute, unconditional and irrevocable.

It is understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee shall inure to the benefit of the Franchisor, its successors and assigns. This Guarantee may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

This Guarantee is to be exclusively construed in accordance with and/or governed by the laws of the Commonwealth of Pennsylvania without recourse to Pennsylvania (or any other) choice of law or conflicts of law principles. If, however, any provision of this Guarantee would not be enforceable under the laws of Pennsylvania, and if the Franchised Business is located outside of Pennsylvania and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Guarantee is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the Commonwealth of Pennsylvania or any other state, which would not otherwise apply.

The undersigned agree to institute any litigation that the undersigned may commence arising out of or related to this Guarantee or the Franchise Agreement; any breach of the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either in a Pennsylvania state court in Allentown, Pennsylvania or the United States District Court for the Eastern District of Pennsylvania in Allentown, Pennsylvania. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Guarantee or the Franchise Agreement; any breach of this Guarantee or the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue indicated above.

Should any one or more provisions of this Guarantee be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective.

IN WITNESS WHEREOF, each of the undersigned has executed this Guarantee effective as of the date of the Franchise Agreement.

Attest:

By: _____ _____
Signature

_____
Printed Name

_____

_____
Address

Attest:

By: _____ _____
Signature

_____
Printed Name

_____

_____
Address

FRANCHISE AGREEMENT
EXHIBIT 8

EQUIPMENT LEASE AGREEMENT (SUSHI ROBOT)

EQUIPMENT LEASE AGREEMENT

This EQUIPMENT LEASE AGREEMENT (as it may be amended from time to time, this "**Agreement**"), dated as of [**DATE**], is entered into by and between Hana Group Franchising, LLC d/b/a [**Mai Franchising, LLC/Genji Franchising, LLC**], a Delaware limited liability company having its principal place of business at 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106 ("**Lessor**"), and [**FRANCHISEE NAME**], [**an individual/a [STATE OF ORGANIZATION] [ENTITY TYPE**] having an address at [**FRANCHISEE BUSINESS ADDRESS**] ("**Lessee,**" and together with Lessor, the "**Parties,**" and each, a "**Party**").

WHEREAS, Lessor is in the business of offering for sale [**Mai/Genji**] Sushi Bar and [**Mai/Genji**] Satellite Sushi Bar franchise locations (each, a "**Franchised Business**");

WHEREAS, Lessee is in the business of operating a Franchised Business located at [**LOCATION OF FRANCHISEE'S FRANCHISED LOCATION**] (the "**Franchise Location**"); and

WHEREAS, Lessee has expressed interest to Lessor to utilize the Unit (as hereinafter defined) in connection with the operation of its Franchised Business, and, as such, Lessee desires to lease the Unit from Lessor, and Lessor desires to lease the Unit to Lessee.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Equipment. Lessor hereby leases the sushi robot roller and cutter described in Exhibit A attached hereto (the "**Unit**") to Lessee and Lessee hereby accepts the Unit for all purposes of this Agreement and leases the Unit from Lessor subject to the terms and conditions of this Agreement.

2. Delivery Location. The delivery location under this Agreement is the Franchise Location.

3. True Lease. The Parties intend that this Agreement shall constitute a true lease under applicable law. Lessor has title to the Unit at all times. Lessee acquires no ownership, title, property, right, equity, or interest in the Unit other than its leasehold interest solely as lessee subject to all the terms and conditions of this Agreement.

4. Security Interest. The Parties intend and agree that, if this Agreement is recharacterized under applicable law as a secured financing or a lease intended for security, this Agreement shall be deemed a security agreement and Section 1 hereof shall be deemed to grant a lien on and first priority security interest in the Unit and all proceeds thereof, to secure the payment of Lessee's obligations under this Agreement. Lessor and Lessee each agree to execute, acknowledge, deliver, file, and record, or cause to be executed, acknowledged, delivered, filed, and recorded such further documents (including

without limitation UCC financing statements), and to do all such things and acts, necessary to ensure that such security interest would be a perfected first priority security interest under applicable law.

5. Net Lease. THIS IS A NET LEASE, AND ALL RENT AND ALL OTHER SUMS PAYABLE BY LESSEE HEREUNDER SHALL BE PAID UNCONDITIONALLY WHEN DUE WITHOUT ABATEMENT, DEDUCTION, COUNTERCLAIM OR SETOFF OF ANY NATURE INCLUDING WITHOUT LIMITATION ANY COUNTERCLAIM OR SETOFF ARISING OUT OF ANY PRESENT OR FUTURE CLAIM LESSEE MAY HAVE AGAINST LESSOR, OR ANY ASSIGNEE OF LESSOR OR THE MANUFACTURER OR SUPPLIER OF THE UNIT, OR ANY OTHER PARTY.

6. No Setoff. Lessee's obligation to pay all rent and other amounts under this Agreement is absolute and unconditional and is not subject to any abatement, counterclaim, defense, deferment, interruption, recoupment, reduction, or setoff for any reason whatsoever.

7. Commencement Date. The "**Commencement Date**" of this Agreement is [**DATE**].

8. Expiration Date. The "**Expiration Date**" of this Agreement is twelve (12) months from the Commencement Date.

9. Rent. The term hereof shall commence on the Commencement Date and, unless sooner terminated hereunder, shall expire on the Expiration Date (such period, the "**Term**"). During the Term, Lessee shall pay to Lessor a fixed rent of [**One Thousand Two Hundred Thirty-Three and 33/100 US dollars (US $1,233.33)[1] / Three Hundred Seventy-Five and 00/100 US dollars (US $375.00)[2] / Eight Hundred Eight and 33/100 US dollars (US $808.33)[3]**] per month, payable in advance on the first day of each month, in accordance with the provisions of Section 10 hereof.

10. Payment Mechanics. Lessee shall pay all amounts due under this Agreement on the applicable due date in US dollars by wire transfer of immediately available funds in accordance with the wire transfer instructions set forth on Schedule 1 hereto. If a payment under this Agreement becomes due and payable on a Saturday, Sunday, or any day on which commercial banks located in the United States are authorized or required by applicable law to be closed for business (any other day, a "**Business Day**"), then Lessee shall make such payment on the next succeeding Business Day. Provided Lessee makes such payment on such next succeeding Business Day, no interest accrues on the amount of such payment from and after such scheduled due date.

11. Late Payments. If Lessee does not pay any amount payable to Lessor under this Agreement within five (5) days after the due date, Lessee shall pay to Lessor a late charge equal to the lower of (a) the maximum amount allowed by law and (b) $50 for each day payment is overdue. Payment of any late charge does not excuse Lessee from any default under this Agreement.

12. **EXCLUSION OF WARRANTIES; LIMITATION OF LIABILITY**.

[1] For Sushi rolling machine Model – SVR-BXA.
[2] For Automatic roll cutter Model – SVC-ATC.
[3] For Sushi sheet making machine Model – SVR-NYA-EH.

12.1 Lessee acknowledges that Lessor is not the manufacturer of the Unit, nor the manufacturer's or vendor's agent, nor is the manufacturer or vendor an agent of the Lessor. LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY AGAINST INTERFERENCE, OR WARRANTY AGAINST INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET OR OTHER PROPRIETARY RIGHTS OF A THIRD PARTY, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE, IN EACH CASE WITH RESPECT TO THE UNIT AND HEREBY DISCLAIMS THE SAME. AS TO LESSOR, LESSEE LEASES THE UNIT "AS IS". Lessee's obligation to pay the rent due hereunder is absolute and unconditional and is not subject to cancellation, reduction, setoff or counterclaim. Lessor is not responsible for any repairs to, or the performance of, the Unit or for any independent maintenance/service agreement which may cover the Unit.

12.2 OTHER THAN FOR INTENTIONAL VIOLATION OF APPLICABLE LAW, FRAUD OR GROSS NEGLIGENCE ("**EXCLUSIONS**"), LESSEE ACKNOWLEDGES AND AGREES THAT AFR SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND OR NATURE, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, REVENUE, GOODWILL, USE, ASSETS OR BUSINESS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, HOWSOEVER CAUSED, WHETHER BASED ON WARRANTY, CONTRACT, TORT, PRODUCT LIABLITY OR ANY OTHER THEORY OF LIABILITY, EVEN IF LESSEE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR SUCH DAMAGES ARE FORESEEABLE. EXCEPT FOR THE EXCLUSIONS LISTED ABOVE, LESSEE AGREES THAT AFR' S LIABILITY HEREUNDER SHALL NOT EXCEED THE RENT ACTUALLY PAID BY LESSEE UNDER THIS AGREEMENT FOR THE SIX (6) MONTH PERIOD IMMEDIATELY PRECEDING THE DATE ON WHICH LESSEE'S CLAIM WAS INITIATED.

12.3 The Parties agree that this Lease is a Finance Lease as defined by Division 2A of the Pennsylvania Uniform Commercial Code Section 2A103(a) of the Pennsylvania Uniform Commercial Code ("**UCC**"). Lessee acknowledges the following: (a) Lessor has not selected, manufactured, or supplied the Unit; (b) Lessor acquired the Unit or the right to possession and use of the Unit in connection with the Agreement; (c) Lessee has received, reviewed and approved all written Supply contracts (as defined by UCC Section 2A103(a)) covering the Unit purchased from the Supplier (as defined by UCC Section 2A103(a)) thereof for lease to Lessee on or before signing this Lease contract (as defined by UCC Section 2A103(a)); (d) Lessor has informed Lessee in writing of the identity of the Supplier; (e) Lessor has informed Lessee that Lessor may have rights under the Supply contract and that Lessee is to contact the Supplier for a description of any such rights, and; (f) Lessor provides no warranties or other rights with respect to the purchase of the Unit and any and all rights Lessee has with respect to the purchase of the Unit are solely against Supplier, and Lessee may communicate at any time with the Supplier prior to executing this Agreement.

13. Lessee's Representations. Lessee represents and warrants for the benefit of Lessor that the statements in this Section 13 are true and correct as of the date hereof.

13.1 Lessee has full corporate power and authority to enter into this Agreement, carry out its obligations hereunder, and consummate the transactions contemplated hereby. This Agreement

has been duly executed and delivered by Lessee, and constitutes a legal, valid, and binding obligation of Lessee enforceable against Lessee in accordance with its terms.

13.2 The execution, delivery, and performance by Lessee of this Agreement will not require the consent of any party, result in any lien on the Unit, or conflict with the organizational documents of Lessee, any provision of applicable law, or any instrument by which Lessee is bound.

13.3 There are no actions pending or threatened against or by Lessee challenging the transactions contemplated by this Agreement and no circumstances exist that may give rise to such an action.

14. Lessee's Covenants. Lessee agrees that until all amounts payable under this Agreement have been paid in full and all other obligations hereunder have been performed in full, Lessee shall comply with the covenants in this Section 14.

14.1 Lessee shall comply with all applicable law and the terms of all agreements Lessee has entered into, or will enter into, with Lessor and its affiliates, including, without limitation that certain Franchise Agreement with Lessor governing the operation of the Franchised Business by Lessee (the "**Franchise Agreement**").

14.2 Lessee shall maintain in full force and effect all permits required to continue conducting its business and to lease and use the Unit in the manner contemplated under this Agreement.

14.3 Lessee shall pay, and indemnify and hold Lessor harmless from, all assessments, license fees, and sales, use, property, excise, and other taxes and charges (other than gross or net income taxes) arising out of or in connection with this Agreement, the consummation of the transactions contemplated herein, or the shipment, possession, ownership, use, delivery, or operation of the Unit.

14.4 Lessee shall keep the Unit free and clear of all liens.

14.5 Lessee shall not enter into any sublease of the Unit without Lessor's prior written consent, which consent may be withheld in Lessor's sole discretion. No permitted sublease shall relieve Lessee of its obligations under this Agreement.

15. Lessee's Use of Equipment.

15.1 No marking of any kind shall be placed on the Unit by Lessee except with the prior written consent of Lessor. Any such marking placed on the Unit by Lessee shall be removed at Lessee's expense on or before the expiration or earlier termination of the Term, unless Lessee exercises the Purchase Option (as defined below). Lessee shall, at Lessee's expense and to Lessor's satisfaction, place and maintain on the Unit any identifying marks required by Lessor.

15.2 Lessee may not move the Unit from the Franchise Location without Lessor's prior written consent.

15.3 The Parties intend that the Unit shall remain at all times personal property and not a fixture under applicable law, even if the Unit, or any part thereof, may be or become affixed or attached to real property or any improvements.

15.4 Lessee shall operate the Unit exclusively for making sushi products in compliance with Lessor's specifications and operational requirements, generally with respect to the production of the sushi products and specifically with respect to the use, maintenance and care of the Unit, specified by Lessor from time-to-time, including, without limitation, as set forth in the Confidential Operating Manual (as defined in the Franchise Agreement), solely in connection with its Franchised Business. Lessee shall not operate or permit the operation of the Unit in an unsafe or improper manner.

15.5 Lessee, at its own expense, shall maintain all records, logs, and other materials related to the Unit ("**Records**") using practices and with a degree of care, comprehensiveness, and accuracy consistent with industry practice, but in no event less than reasonable practices and a reasonable degree of care, comprehensiveness, and accuracy, and as required by applicable law, and promptly furnish to Lessor such Records as may be requested by Lessor for any purpose.

15.6 Lessor's employees and agents shall have the right of access to the Franchise Location to inspect the Unit and Lessee's Records on reasonable notice and during regular business hours. On Lessor's request, Lessee shall cooperate with and assist Lessor in obtaining access to premises other than Lessee's so that Lessor's employees and agents may inspect the Unit.

15.7 Lessee shall use and direct the operation of the Unit only in accordance with the instructions of the Unit manufacturer. Lessee represents and warrants that its employees, agents, contractors and all persons using the Unit (collectively, the "**Unit Operators**") have sufficient skill and knowledge to use and operate the Unit safely and in its intended manner in accordance with the instructions of the Unit manufacturer. Lessee covenants that the Unit Operators will maintain such level of skill and knowledge as is necessary to use the Unit safely and in its intended manner in accordance with the instructions of the Unit manufacturer. Lessee shall promptly notify Lessor of any problem, defect or service condition affecting the Unit.

16. Maintenance and Mandatory Modifications.

16.1 Lessee, at its sole expense and consistent with standard industry practice for similar equipment, Lessee's maintenance practices for its other similar equipment, and applicable insurance requirements, shall maintain, service, and repair the Unit and keep the Unit in compliance with any vendor's or manufacturer's specifications and applicable law, in serviceable and operable condition, free of broken, damaged, or missing parts, suitable for the commercial use originally intended, ordinary wear and tear excepted. All maintenance, service, and repair of the Unit and any part thereof shall be done to standards and with parts of like kind and at least equal quality to items being maintained, serviced, or repaired.

16.2 If during the Term hereof any part of the Unit is lost, stolen, damaged beyond repair, or otherwise permanently rendered unfit for use, Lessee, at its sole expense, shall promptly replace or cause to be replaced such part with one or more replacement parts. Lessee shall cause the Unit after the replacement to be in as good an operating condition as, and have a value, remaining useful life,

and utility at least equal to the value, remaining useful life, and utility of the Unit before the replacement (assuming the Unit to have been in the condition required by the terms of this Agreement).

16.3 Lessee, at its sole expense, shall make any alteration or modification to the Unit, including without limitation the replacement or addition of any component, that is required or supplied by the Lessor or the manufacturer or necessary to comply with applicable law. Lessee shall notify Lessor within ten (10) days of learning that an alteration or modification is required by applicable law.

16.4 If Lessee incorporates or installs any part in or attaches any part to the Unit, including without limitation any replacement or addition under Section 16.3, then immediately on any part becoming incorporated or installed in or attached to the Unit, without further act or any cost to Lessor, such part is deemed part of the Unit to the same extent as though originally incorporated or installed in or attached to the Unit, title to such part vests in Lessor, and such part becomes subject to this Agreement. Lessee shall cause all parts to be free and clear of any lien.

17. Loss.

17.1 From the Commencement Date through the expiration or earlier termination of the Term hereunder, Lessee shall bear all risk of loss, damage, destruction, theft, taking, confiscation, requisition, GOVERNMENTAL REGULATION, PROHIBITION, IMPRACTICALITY OF USE, OBSOLESENCE OR COMMERCIAL FRUSTRATION, partial or complete, of or to the Unit or its use, however caused or occasioned ("**Loss**"). Lessee shall notify Lessor in writing within ten (10) days of learning of any such Loss.

17.2 The "**Stipulated Loss Values**" for the Unit are as set forth in the attached Exhibit B.

17.3 If Lessor determines in its sole discretion that a Loss has materially impaired the Unit or its use, Lessee shall pay, on Lessor's demand ("**Loss Payment Date**"), all rent and other amounts due prior to the Loss Payment Date with respect to the Unit plus the Stipulated Loss Value of the Unit determined in accordance with Exhibit B hereto (collectively, "**Loss Payment**"). This Agreement shall terminate with respect to the materially impaired Unit on receipt by Lessor of the corresponding Loss Payment. Upon such receipt and termination, Lessor shall deliver to Lessee a duly executed quitclaim bill of sale conveying title to the Unit to Lessee.

17.4 If Lessor determines in its sole discretion that a Loss has not materially impaired the Unit or its use, this Agreement shall continue with respect to the Unit as though no Loss had occurred; and Lessee shall at its sole expense promptly repair or cause to be repaired the Unit to the condition in which the Unit is required to be maintained hereunder, to the reasonable satisfaction of Lessor. For the avoidance of doubt, there shall be no abatement of rent or rent credit for any period in which the Unit is in a shop or otherwise out of operation in connection with any maintenance, repairs, or mandatory modifications under this Section 17 or Section 16 hereof.

18. Insurance.

18.1 From the Commencement Date through the expiration or earlier termination of the Term hereunder, Lessee, at its sole expense, shall provide and maintain for the Unit insurance against loss, theft, and damage ("**Property Insurance**") in an insured amount of at least the greater of

the Stipulated Loss Value or full replacement value of the Unit and in a form, and with companies, reasonably satisfactory to Lessor, including, without limitation, a breach of warranty clause, the waiver of any subrogation rights against Lessor, and the insurer's agreement to give Lessor 30 days' prior written notice before cancellation or material change of the Property Insurance. Lessee shall name Lessor (or shall cause Lessor to be named) as loss payee for the Property Insurance. Deductibles, if any, must be approved in advance by Lessor.

18.2 For the Term, Lessee, at its sole expense, shall provide and maintain commercial general liability insurance consistent with the terms of its Franchise Agreement with respect to the Franchised Business ("**Liability Insurance**").

18.3 On or before the Commencement Date, Lessee shall provide Lessor with insurance certificates accurately evidencing that the Property Insurance required under Section 18.1 is in effect. Lessee shall provide Lessor with insurance certificates accurately evidencing the renewal of the Property Insurance and Liability Insurance required under this Agreement promptly upon such renewal. Lessee shall otherwise promptly provide Lessor with insurance certificates evidencing that the insurance coverage required under this Agreement is in effect as Lessor may request from time to time.

19. Application of Insurance Proceeds and Condemnation Payments.

19.1 If Lessor receives any proceeds as loss payee of the Property Insurance, or under any condemnation proceeding related to the Unit, it shall, if received pursuant to a Loss that has materially impaired the Unit under Section 17.3, credit such proceeds against Lessee's obligation to make Loss Payments to Lessor under Section 17.3 or if no such amounts are then due and outstanding, remit such proceeds to Lessee; or, if received pursuant to a Loss that has not materially impaired a Unit under Section 17.4, remit the proceeds to Lessee. If Lessee is in default under this Agreement, or an Event of Default (as hereinafter defined) has occurred and is continuing, Lessor may hold any such proceeds as security for the obligations of Lessee under this Agreement and apply such amounts in its sole discretion against Lessee's obligations hereunder.

19.2 If Lessee receives any proceeds under the Property Insurance, or under any condemnation proceeding related to the Unit, unless received with respect to a Loss that has not materially impaired a Unit as set forth in Section 17.4, Lessee shall promptly forward such amounts to Lessor to be applied by Lessor under Section 19.1. If Lessee is in default under this Agreement, or an Event of Default has occurred and is continuing, and Lessee receives any proceeds under the Property Insurance or under any condemnation proceeding related to the Unit (regardless of whether the Unit is materially impaired) or the Liability Insurance, it shall forward such amounts to Lessor as security for the obligations of Lessee under this Agreement to be applied by Lessor in its sole discretion against Lessee's obligations hereunder.

20. Default.

20.1 Each of the following events is an "**Event of Default**" under this Agreement: (a) Lessee fails to pay any rent or any other amount under this Agreement when due; (b) Lessee defaults in the observance or performance of any other term, covenant, or condition of this Agreement, on Lessee's part to be observed or performed, and Lessee fails to remedy such default within ten (10) Business Days after notice by Lessor to Lessee of such default; (c) Lessee's interest or any portion thereof in this

Agreement devolves on or passes to any other party, whether by operation of law or otherwise; (d) Lessee (i) becomes insolvent, (ii) is generally unable to pay, or fails to pay, its debts as they become due, (iii) files, or has filed against it, a petition for voluntary or involuntary bankruptcy, (iv) makes or seeks to make a general assignment for the benefit of its creditors, (v) applies for, or consents to, the appointment of a trustee, receiver, or custodian for a substantial part of its property or business; or (vi) breaches the terms of its Franchise Agreement with Lessor or any other agreement Lessee has entered into, or will enter into, with Lessor and its affiliates; (d) Lessee sells, transfers, or disposes of all or substantially all of its assets or the property of its Franchised Business, or merges or consolidates with any other entity, in each case without the prior written consent of the Lessor; (e) the Franchise Agreement is otherwise terminated; or (f) any representation contained in Section 13 is untrue as and when made or at any time during the Term.

20.2 If an Event of Default occurs and is continuing, Lessor may, in its sole discretion, exercise one or more of the following remedies: (a) declare this Agreement in default; (b) terminate this Agreement in whole or in part; (c) take possession of, or render unusable, the Unit wherever it may be located, without demand or notice, without any court order or other process of law, and without liability to Lessee for any damages occasioned by such action; (d) require Lessee to deliver the Unit in the condition required under this Agreement to a location designated by Lessor and, for each day that Lessee fails to return the Unit, Lessor may demand an amount equal to the rent for the Unit, prorated on the basis of a thirty-day month, in effect immediately prior to such Event of Default; (e) proceed by court action to enforce performance by Lessee of this Agreement and/or to recover all damages and expenses incurred by Lessor by reason of any Event of Default; (f) sell the Unit at public or private sale, with or without notice to Lessee or advertisement, or otherwise dispose of, hold, use, operate, lease to others, or keep idle the Unit, and without any duty to account to Lessee for such action or inaction or for any proceeds with respect thereto, and apply the net proceeds thereof (after deducting all expenses, including legal fees and costs, incurred in connection therewith) to the amounts owed to Lessor under this Agreement, provided, however, that Lessee shall remain liable to Lessor for any deficiency that remains after any sale or lease of the Unit; (g) setoff and apply any amounts otherwise payable by Lessor to Lessee under the terms of the Franchise Agreement to any amounts due and outstanding under this Agreement; and (h) exercise any other right or remedy available to Lessor at law, in equity, by statute, in any other agreement between the Parties, or otherwise.

21. Indemnity.

21.1 Lessee shall indemnify, defend, and hold harmless Lessor, its successors and assigns, and its affiliates and their successors and assigns and the respective directors, officers, managers, members, employees, consultants, financial advisors, counsel, accountants, and other agents of Lessor, its successors and assigns, Lessor's affiliates, and their successors and assigns (collectively, "**Indemnitees**") against any and all losses, injury, death, damages, liabilities, claims, deficiencies, actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatsoever kind and nature, including reasonable attorneys' fees and the cost of enforcing any right to indemnification under this Agreement and the cost of pursuing any insurance providers incurred by Indemnitees relating to, arising out of, or in connection with the transactions contemplated by this Agreement, including without limitation:

(a) the selection, design, manufacture, delivery, purchase, acceptance, or rejection of the Unit;

(b) the lease, possession, maintenance, use, condition, repair, return, disposition, operation, storage, or transportation of the Unit, any parts, or any modifications thereto (including, without limitation, latent and other defects, whether or not discoverable by Lessor or Lessee);

(c) any inaccuracy in or breach of any of the representations of Lessee contained in this Agreement;

(d) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Lessee pursuant to this Agreement; and

(e) any assertion of the infringement of patent, trade secret, trademark, copyright, or other intellectual property rights of third parties.

22. Lessor's Performance of Lessee's Obligations. If Lessee is in default or an Event of Default has occurred and is continuing, Lessor may, in its sole discretion, make any payment or perform any obligation on behalf of Lessee or take any action that Lessor in Lessor's sole discretion deems necessary to maintain and preserve the Unit and Lessor's interests therein. Lessor's payment, performance of such obligation, or taking of such action shall not be a waiver by Lessor of any default or Event of Default or a release of Lessee by Lessor. Lessee shall pay immediately on demand to Lessor all sums so paid by Lessor and any expenses (including legal fees and costs) incurred by Lessor in connection with Lessor's payment, performance of such obligation, or taking of such action.

23. Return of Unit.

23.1 If Lessee does not in accordance with the terms and conditions hereof exercise the Purchase Option, Lessee shall, at its sole expense and risk, no later than the Expiration Date or the earlier termination of the Term (and except as set forth in Section 17.3), return the Unit to a location that shall be designated by Lessor in its sole discretion.

23.2 Lessee shall cause the Unit returned under this Agreement to be in at least as good condition as when delivered to Lessee, ordinary wear and tear excepted, including without limitation the removal of any marks that Lessee is permitted to apply to the Unit under Section 15.1, complete with all parts, and in compliance with applicable law. The condition of all parts on the return of the Unit shall be at least as good as when the Unit was delivered to Lessee. Any repairs to such parts necessary on return to restore them to a condition as good as when the Unit was delivered, and any replacement of such parts required on return due to their unfitness for use or damage beyond repair, shall be at Lessee's sole expense. Any repairs to any Unit required on return because of damage to the Unit owing to the misuse of the Unit while in Lessee's possession shall be at Lessee's sole expense.

23.3 Upon the return of the Unit under this Agreement, Lessee shall deliver or cause to be delivered to Lessor all records relating to the operation and maintenance of the Unit, including all maintenance records, logs, certificates, and data in Lessee's possession or required to be maintained by applicable law.

23.4 Unless the Lessee exercises the Purchase Option in accordance with the terms of this Agreement, if by the Expiration Date or the earlier termination of this Agreement for the Unit, Lessee does not return the Unit to Lessor in the condition required by and otherwise in accordance with the terms and conditions of this Agreement, Lessee shall continue to comply with all the terms and conditions of this Agreement with respect to the Unit, including without limitation the obligation to pay 125% of the prorated daily rent for each day from the Expiration Date or the earlier termination of this Agreement for the Unit until the date on which Lessee returns the Unit to Lessor in the manner required under this Agreement ("**Holdover Rent**"). Nothing contained in this Section 23.4, including Lessee's payment of Holdover Rent, shall (a) constitute a waiver of Lessee's failure to perform any obligation under this Agreement; or (b) give Lessee the right to retain possession of the Unit after the Expiration Date or the earlier termination of this Agreement for the Unit.

24. Purchase Option.

24.1 Provided that no Event of Default shall have occurred and be continuing, Lessee shall have the option at the conclusion of the Term to purchase the Unit ("**Purchase Option**"). No less than thirty (30) days prior to the Expiration Date, Lessee shall notify Lessor in writing and in accordance with the provisions of Section 25.2 hereof of Lessee's intention to exercise the Purchase Option. In the event that Lessee fails to notify Lessor no less than thirty (30) days prior to the Expiration Date, the Purchase Option shall expire and Lessee shall have no further right to purchase the Unit under this Agreement.

24.2 The purchase price for the Unit under the Purchase Option ("**Purchase Price**") shall be payable by the Lessee in accordance with Section 10 hereof on the Expiration Date and shall be One US Dollar ($1.00).

24.3 Upon payment of the Purchase Price to Lessor by Lessee, and payment to Lessor by Lessee of any other amounts then due and owing, Lessor shall transfer the Unit to Lessee, as is, where is, without recourse, representation, or warranty of any kind, express or implied.

25. Miscellaneous.

25.1 Subject to any limitations and other provisions contained in this Agreement, the representations of Lessee contained in Section 13 survive indefinitely. All covenants and agreements of Lessee contained herein, including without limitation Lessee's obligations under Section 21, survive indefinitely.

25.2 Each Party shall deliver all notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a "**Notice**") in writing and addressed to the other Party at its address set forth in the first paragraph hereof (or to such other address as the receiving Party may designate from time to time in accordance with this Section 25.2). Each Party shall deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees pre-paid), email of a PDF document (with confirmation of transmission), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) on receipt by the receiving Party, and (b) if the Party giving the Notice has complied with the requirements of this Section 25.2.

25.3 The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

25.4 If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability does not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

25.5 This Agreement, together with all related exhibits and schedules and the Franchise Agreement, constitutes the sole and entire agreement of the Parties hereto with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

25.6 No amendment to or rescission, termination, or discharge of this Agreement is effective unless it is in writing, identified as an amendment to or rescission, termination, or discharge of this Agreement and signed by each Party to this Agreement.

25.7 No waiver under this Agreement is effective unless it is in writing, identified as a waiver under this Agreement and signed by the Party waiving its right. Any waiver authorized on one occasion is effective only in that instance and only for the purpose stated and does not operate as a waiver on any future occasion. Neither any failure or delay in exercising any right, remedy, power, or privilege, or in enforcing any condition under this Agreement, nor any act, omission, or course of dealing between the Parties constitutes a waiver or estoppel with respect to any right, remedy, power, privilege, or condition arising from this Agreement.

25.8 All rights and remedies of Lessor provided in this Agreement are cumulative and not exclusive, and the exercise by Lessor of any right or remedy does not preclude the exercise by Lessor of any other rights or remedies that may now or subsequently be available to Lessor at law, in equity, by statute, in any other agreement between the Parties, or otherwise.

25.9 Lessee acknowledges that a breach or threatened breach by Lessee of any of its obligations under this Agreement would give rise to irreparable harm to Lessor for which monetary damages would not be an adequate remedy and hereby agrees that in the event of a breach or a threatened breach by Lessee of any such obligations, Lessor will, in addition to any and all other rights and remedies that may be available to Lessor in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

25.10 Lessee may not assign any of its rights or delegate any of its obligations under this Agreement, including by operation of law, without the prior written consent of Lessor. Any purported assignment or delegation in violation of this Section 25.10 is null and void. No assignment or delegation relieves Lessee of any of its obligations under this Agreement.

25.11 This Agreement is binding on and inures to the benefit of the Parties hereto and their respective successors and permitted assigns.

25.12 Subject to the final sentence of this Section 25.12, this Agreement benefits solely the Parties and their respective successors and permitted assigns and nothing in this Agreement, express

or implied, confers on any other party any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason hereof. The Parties hereby designate the Indemnitees other than Lessor as third-party beneficiaries of Section 21, having the right to enforce Section 21.

25.13 This Agreement and all exhibits and schedules attached hereto, and all matters arising out of or relating hereto, whether sounding in contract, tort, or statute, are governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, United States of America, without regard to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the Commonwealth of Pennsylvania.

25.14 Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Agreement or any exhibits or schedules attached hereto, or any contemplated transaction, including, but not limited to, contract, equity, tort, fraud, and statutory claims, in any forum other than the Federal District Court for the Eastern District of Pennsylvania or the courts of the Commonwealth of Pennsylvania sitting in Lehigh County, Pennsylvania, and any appellate court from any thereof. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in the Federal District Court for the Eastern District of Pennsylvania or the courts of the Commonwealth of Pennsylvania sitting in Lehigh County, Pennsylvania. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

25.15 EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT OR ANY EXHIBITS OR SCHEDULES ATTACHED HERETO IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY EXHIBITS OR SCHEDULES ATTACHED HERETO, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

25.16 This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

25.17 Lessee agrees to execute, acknowledge, deliver, file, and record, or cause to be executed, acknowledged, delivered, filed, and recorded, such further documents or other papers and to do all such things and acts as Lessor may request in furtherance of the provisions and purposes of this Agreement and the transactions contemplated hereby.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

HANA GROUP FRANCHISING, LLC d/b/a [Mai Franchising, LLC/Genji Franchising, LLC]

By: _____

Name:

Title:

If Lessee is an entity:

[**LESSEE NAME**]

By: _____

Name:

Title:

If Lessee is an individual:

_____
[**LESSEE NAME**]

SCHEDULE 1

Lessor's Wire Transfer Instructions

Bank:

Address:

ABA #:

Swift Code:

Account #:

Account Name:

Ref:

EXHIBIT A

EQUIPMENT

- Equipment Description: [_____]
- Equipment Model Number: [_____]
- Equipment Serial #: [_____]
- Additional Parts and Accessories Included: [_____]

EXHIBIT B

STIPULATED LOSS VALUES

For Sushi rolling machine Model – SVR-BXA:[4]

Month of Term	Stipulated Loss Value
1	$ 14,800.00
2	$ 13,566.67
3	$ 12,333.33
4	$ 11,100.00
5	$ 9,866.67
6	$ 8,633.33
7	$ 7,400.00
8	$ 6,166.67
9	$ 4,933.33
10	$ 3,700.00
11	$ 2,466.67
12	$ 1,233.33

For Automatic roll cutter Model – SVC-ATC:[5]

Month of Term	Stipulated Loss Value
1	$ 4,500.00
2	$ 4,125.00
3	$ 3,750.00
4	$ 3,375.00
5	$ 3,000.00
6	$ 2,625.00
7	$ 2,250.00
8	$ 1,875.00
9	$ 1,500.00
10	$ 1,125.00
11	$ 750.00
12	$ 375.00

[4] Note to Draft: Schedule to be deleted if this equipment is not leased.
[5] Note to Draft: Schedule to be deleted if this equipment is not leased.

For Sushi sheet making machine Model – SVR-NYA-EH:[6]

Month of Term	Stipulated Loss Value
1	$ 9,700.00
2	$ 8,891.67
3	$ 8,083.33
4	$ 7,275.00
5	$ 6,466.67
6	$ 5,658.33
7	$ 4,850.00
8	$ 4,041.67
9	$ 3,233.33
10	$ 2,425.00
11	$ 1,616.67
12	$ 808.33

[6] Note to Draft: Schedule to be deleted if this equipment is not leased.

FRANCHISE AGREEMENT
EXHIBIT 9

FRANCHISE COMPLIANCE CERTIFICATION

This Compliance Certification does not apply to Hawaii franchisees. Do not complete or sign this Compliance Certification if you are a resident of the State of Hawaii or the business is to be operated in the State of Hawaii.

Do not sign this Compliance Certification if you are a resident of Maryland or the business is to be operated in Maryland.

Do not sign this Compliance Certification if you are a resident of the State of Washington or the business is to be operated in the State of Washington.

As Franchisee knows, Hana Group Franchising, LLC d/b/a Mai Franchising, LLC (the **"Franchisor"**) and Franchisee are preparing to enter into a Franchise Agreement for the establishment and operation of a Mai franchised business (the "**Franchised Business**"). Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. I had my first face-to-face meeting with one of Franchisor's representatives on _____ , 20___.

2. Has Franchisee received and personally reviewed the Franchise Agreement and if applicable, each Addendum and related agreement attached thereto?

   Yes _____ No _____

3. Does Franchisee understand all of the information contained in the Franchise Agreement and each Addendum and related agreement provided to Franchisee?

   Yes _____ No _____

   If no, what parts of the Franchise Agreement, Addendum and/or related agreement does Franchisee not understand? (Attach additional pages, as needed.)

   _____
   _____
   _____

4. Have Franchisee received and personally reviewed Franchisor's Franchise Disclosure Document ("FDD") that was provided to Franchisee?

   Yes _____ No _____

5. Did Franchisee sign a receipt for the FDD indicating the date Franchisee received it?

   Yes _____ No _____

6. Does Franchisee understand all of the information contained in the FDD and any state-specific Addendum to the FDD?

Yes _____ No _____

If No, what parts of the FDD and/or Addendum does Franchisee not understand? (Attach additional pages, as needed.)

7. Has Franchisee discussed with an attorney, accountant, or other professional advisor the benefits and risks of establishing and operating a business as a Franchised Business?

Yes _____ No _____

If No, does Franchisee wish to have more time to do so?

Yes _____ No _____

8. Does Franchisee understand that the success or failure of Franchisee's Franchised Business will depend in large part upon Franchisee's skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes _____ No _____

9. Has any employee or other person speaking on behalf of Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the actual or possible revenues, profits or operating costs of a Mai Franchised Business operated by Franchisor or any of its franchisees, that is contrary to the information contained in the FDD?

Yes _____ No _____

10. Has any employee or other person speaking on behalf of Franchisor made any statement or promise to Franchisee (or to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) regarding the amount of money Franchisee may earn in operating a business as a Franchised Business that is not otherwise stated in the FDD?

Yes _____ No _____

11. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity or Franchisee's behalf) concerning the total amount of revenue a business like a Franchised Business will or may generate, that is not otherwise stated in the FDD?

Yes _____ No _____

12. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity or Franchisee's behalf) regarding the costs Franchisee may incur in operating a business as a Franchised Business, that is contrary to or different from, the information contained in the FDD?

Yes _____ No _____

13. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the likelihood of success that Franchisee should or might expect to achieve from operating a business as a Franchised Business?

Yes _____ No _____

14. Has any employee or other person speaking on behalf of the Franchisor made any statement, agreement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to Franchisee that is contrary to or different from the information contained in the FDD?

Yes _____ No _____

15. Has Franchisee entered into any binding agreement with Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

16. Has Franchisee paid any money to Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17. Does Franchisee understand that the territorial rights, if any, Franchisee have been granted are subject to limitations and exceptions?

Yes _____ No _____

18. Does Franchisee understand that Franchisor and its affiliates and subsidiaries retain the right, directly or through others, to develop businesses and franchise other similar franchises or different franchise systems inside or outside of Franchisee's territory?

Yes _____ No _____

19. Does Franchisee understand that the Franchise Agreement contains the entire agreement between Franchisee and Franchisor concerning the franchise, meaning that any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes _____ No _____

20. If Franchisee has answered "Yes" to any of questions 9-16, please provide a full explanation of each "yes" answer in the following blank lines. (Attach additional pages as needed and refer to them below.) If Franchisee has answered "no" to each of questions 9-16, then please leave the following lines blank.

_____
_____
_____
_____
_____

21. I signed the Franchise Agreement and Addenda (if any) on , 20__, and acknowledge that no Agreement or Addendum is effective until signed and dated by Franchisor.

FOR MARYLAND: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

FOR WASHINGTON: This questionnaire and certification does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

FRANCHISEE UNDERSTANDS THAT FRANCHISEE'S ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS FRANCHISE COMPLIANCE CERTIFICATION, FRANCHISEE IS REPRESENTING THAT FRANCHISEE HAS CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

FRANCHISEE

By: _____

Name: _____

Date: _____, 20___

FRANCHISE AGREEMENT
EXHIBIT 10

STATE AMENDMENTS TO FRANCHISE AGREEMENT

AMENDMENT TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT FOR THE STATE OF CALIFORNIA

The Franchise Agreement between _____ ("Franchisee") and Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") dated _____, 20___ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

CALIFORNIA LAW MODIFICATIONS

1. The Agreement and the forms of Confidentiality, Non-Use and Non-Competition Agreements attached thereto as Exhibits 5 and 6 (the "Restrictive Covenant Agreements") are hereby amended to delete Section 8.1(c)(2) of the Agreement and Section 3(c)(2) of the Restrictive Covenant Agreements, which contain restrictions on the solicitation for employment of any current or former employee of franchisor, its affiliates, or other franchisees.

2. The California Department of Business Oversight requires that certain provisions contained in the franchise documents for franchises offered or sold to either a resident of the State of California or non-resident who will be operating a franchise in the State of California be amended to be consistent with California law, including the California Franchise Investment Law §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043 (collectively the "Acts"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded:

a. The Acts provide rights to Franchisee concerning non-renewal and termination of the Agreement. The Federal Bankruptcy Code (11 U.S.C. §101 et seq.) also provides rights to Franchisee concerning termination of the Agreement upon certain bankruptcy-related events. To the extent the Agreement contains a provision that is inconsistent with these laws, these laws will control.

b. If the Franchisee is required in the Agreement to execute a release of claims, such release shall exclude claims arising under the Acts. California Corporations Code 31512 voids a waiver of Franchisee's rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of Franchisee's rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043.

c. If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

d. If the Agreement contains a covenant not to compete which extend beyond the expiration or termination of the Agreement, the covenant may be unenforceable under California law.

e. If the Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.

f. If the Agreement requires that it be governed by a state's law, other than the State of California, such requirement may be unenforceable.

g. No statement, questionnaire, or acknowledgment signed or agreed to by Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20_____.

FRANCHISEE:

BY: _____

NAME: _

TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____

NAME:

TITLE:

AMENDMENT TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT FOR THE STATE OF HAWAII

The Franchise Agreement between _____ ("Franchisee") and Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") dated _____, 20___ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

HAWAII LAW MODIFICATIONS

1. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20 .

FRANCHISEE:

BY: _____

NAME:

TITLE:

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____

NAME:

TITLE:

AMENDMENT TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT FOR THE STATE OF ILLINOIS

The Franchise Agreement between _____ ("Franchisee") and Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") dated _____, 20___ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

ILLINOIS LAW MODIFICATIONS

2. ~~1.~~ Illinois law governs the Franchise Agreement.

3. ~~2.~~ In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

4. ~~3.~~ Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. ~~4.~~ In conformance with section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

6. ~~5.~~ You will operate a sushi bar from space within another retail business negotiated by the Franchisor and the business entity, not you. If for any reason the contract for your sushi bar site expires or is terminated, then you may no longer operate your sushi bar within the designated retail space and the Franchisor will have no obligation to provide you with another site, refund any money to you or honor your Franchise Agreement.

7. Under this Franchise Agreement, you will pay royalties to the Franchisor and commissions to the Retail Operator equal to 40% of your Gross Sales before earning any income for yourself.

8. If you buy this franchise, the Franchisor can require you to operate 1 or more satellite franchises within a 40 mile radius of your sushi bar. Additionally, the retail business entity may require you to relocate your sushi bar to another site at your sole cost and expense.

9. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _, 20___ .

FRANCHISEE: _____

BY:_____
NAME: _
TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____
NAME:
TITLE:

AMENDMENT TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT

FOR THE STATE OF INDIANA

The Franchise Agreement between _____("Franchisee") and Hana Group Franchising, LLC d/b/a Mai Franchising, LLC ("Franchisor") dated ____, 20___ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

INDIANA LAW MODIFICATIONS

1. The Indiana Securities Commissioner requires that certain provisions contained in the franchise documents offered or sold to either a resident of the State of Indiana or a non-resident who will be operating a franchise in the State of Indiana be amended to be consistent with Indiana law, including the Indiana Deceptive Franchise Practices Law, Indiana Code §§ 23-2-2.7-1 through 23-2-2.7-10, and the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2-2.5-1 through 23-2-2-2.5-51 (collectively the "Act"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended and superseded.

a. The Indiana Deceptive Franchise Practices Act provides rights to Franchisee concerning non-renewal and termination of this Agreement. To the extent the Agreement contains a provision that is inconsistent with the Act, the Act will control.

b. If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate this Act, or a role or order under the Act, such release shall exclude claims arising under the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, and such acknowledgments shall be void with respect to claims under the Acts.

c. If this Agreement contains covenants not to compete upon expiration or termination of the Agreement that are inconsistent with the Indiana Deceptive Franchise Practices Act, the requirements of the Act will control.

d. The Indiana Deceptive Franchise Practices Act provides that substantial modification of the Agreement by Franchisor requires written consent of the Franchisee. If the Agreement contains provisions that are inconsistent with this requirement, the Act will control.

e. If the Agreement requires litigation to be conducted in a forum other than the State of Indiana, the requirement may be unenforceable as a limitation on litigation under the Indiana Deceptive Franchise Practices Act.

f. If the Agreement requires that it be governed by a state's law, other than the State of Indiana, to the extent that such law conflicts with the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, the Act will control.

2. Each provision of the Amendment shall be effective only to the extent that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Act and the Indiana Franchises Act, relating to each such provision, are met independent of this Agreement. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _____ , 20___.

FRANCHISEE: _____

BY:_____
NAME: _
TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____
NAME:
TITLE:

AMENDMENT TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT

FOR THE STATE OF MARYLAND

This will serve as the State Addendum for the State of Maryland for Hana Group Franchising, LLC d/b/a Mai Franchising, LLC's Franchise Agreement. The amendments to the Franchise Agreement included in this Addendum have been agreed to by the parties.

1. The provision contained in the termination sections of the Franchise Agreement may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

2. The appropriate sections of the Franchise Agreement are hereby amended to reflect that the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. The Franchise Agreement ~~and the Franchise Compliance Certification, Exhibit 8 to the Franchise Agreement, are~~is hereby amended to add the following sentence: "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

4. The appropriate sections of the Franchise Agreement are amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. The Franchise Agreement is hereby amended to provide the following sentence: "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

6. The registered agent authorized to receive process in Maryland is the Maryland Securities Commissioner, 200 St. Paul Place, Baltimore, Maryland 21202-2020.

7. Section 25.2 of the Franchise Agreement (Franchisee's Acknowledgements) is hereby deleted.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Addendum, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Addendum and be bound by it. The parties have duly executed and delivered this Addendum to the Agreement on _____, 20__.

FRANCHISEE: _____

BY:_____
NAME: _
TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____
NAME:
TITLE:

AMENDMENT TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT

FOR THE STATE OF MINNESOTA

This addendum to the Disclosure Document effectively amends and revises said Disclosure Document and Franchise Agreement as follows:

1. Item 13 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use."

2. Item 17 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Stat. Sec. 80c.14, Subd.3, 4 and 5 require, except in certain specified cases, that (i) Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement, and (ii) Franchisor's consent to renew the Franchised Business will not be unreasonably withheld."

3. Item 17 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minn. Stat. Sec. 80C.21 and Rule 2860.4400(J) prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or agreements can abrogate or reduce (i) any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (ii) Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

4. Item 17 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minn. Rule 2860.4400(D) prohibits Franchisor from requiring Franchisee to assent to a general release."

5. Pursuant to Minn. Rule 2860.4400(J), Franchisee cannot consent to Franchisor obtaining injunctive relief, but Franchisor may seek injunctive relief. Also, a court will determine if a bond is required.

6. The Franchise Agreement is hereby amended to comply with Minn. Stat. Sec. 80C.17, Subd. 5 regarding Limitations of Claims.

7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20___.

FRANCHISEE: _____

BY:_____
NAME: _
TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____
NAME:
TITLE:

AMENDMENT TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT

FOR THE STATE OF NORTH DAKOTA

The Franchise Agreement between _____ ("Franchisee") and HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC ("Franchisor"), dated ___, 20___ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement (the "Amendment"):

1. General Release as a Condition of Renewal. No release language set forth in the Agreement nor any general release signed by the Franchisee will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.

2. Remedies; Liquidated Damages. Section 13.9 of the Agreement is amended by deleting that section in its entirety.

3. Waiver of Exemplary & Punitive Damages: Section 22.5 of the Agreement is amended by deleting all references to punitive damages in that section.

4. Waiver of Trial by Jury. Section 22.6 of the Agreement is amended by deleting that section in its entirety.

5. Applicable Law. The laws of the State of North Dakota supersede any provisions of the Agreement or Pennsylvania law if such provisions are in conflict with North Dakota law. The Agreement will be governed by North Dakota law, rather than Pennsylvania law, as stated in Section 22.3 of the Agreement.

6. Jurisdiction. Any provision in the Agreement which designates jurisdiction or venue, or requires the Franchisee to agree to jurisdiction or venue in a forum outside of North Dakota, is deleted from the Agreement.

7. Enforcement of Agreement. Notwithstanding anything to the contrary in Sections 22.1 and 22.2 of the Agreement, such sections are amended to provide that the prevailing party in any enforcement action is entitled to recover all costs and expenses related to such action, including attorneys' fees.

8. Agreements Restricting Competition. Item 17(r) of the Franchise Disclosure Document, Article VIII of the Agreement and Exhibit 5 of the Agreement may disclose or provide for certain covenants restricting competition to which franchisees must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

9. In all other respects, the Agreement will be construed and enforced in accordance with its terms.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its equity owners acknowledges that it has read and understands the contents of this Amendment, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound by it. The parties have duly executed and delivered this Amendment to the Agreement on _____, 20 ___.

FRANCHISEE: _____

BY:_____
NAME: _
TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____
NAME:
TITLE:

AMENDMENT TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC FRANCHISE AGREEMENT

FOR THE STATE OF WASHINGTON

The Franchise Agreement between _____ and HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC, dated _____, 20___ (the "Agreement"), shall be amended and superseded by the addition of the following language, which shall be considered an integral part of the Agreement:

1. Section 2.3(c) of the Agreement provides that the Retail Operator may have the right to require that your Mai Sushi Bar or Mai Satellite Sushi Bar be relocated to another area located within the Retail Location, at your sole cost and expense, and franchisor is not obligated to compensate you or reimburse you for any costs or expenses associated with such relocation. This provision is hereby amended to provide that in connection with any relocation of your Mai Sushi Bar or Mai Satellite Sushi Bar within the Retail Location, franchisor shall provide you with reasonable assistance in connection with any such relocation and reimburse you for your reasonable, documented out-of-pocket costs and expenses associated with any such relocation.

1. Section 13.2(b) of the Agreement and Section 3(b) of the Satellite Amendment attached as Exhibit 3 of the Agreement (the "Satellite Amendment") is hereby amended to provide that the franchisor may only terminate a Satellite Amendment for good cause following written notice to the franchisee, which shall include the lawful termination of the Agreement.

2. The Agreement is hereby amended to delete the first sentence of Section 13.2(b) and 13.4(l) of the Agreement, which provides that the franchisor may terminate the Agreement by written notice of termination to you in the event you are no longer permitted by the Retail Operator to operate a Mai Sushi Bar at the Retail Location. In the unanticipated event a Vendor Agreement is terminated by a Retail Operator prior to the end of the term of the Agreement, franchisor will work in good faith with the affected franchisee to find a suitable replacement location to enable the franchisee to continue to operate its Mai Sushi Bar or reach a mutual agreement with the franchisee to conclude the franchise relationship in good faith, which would include complying with the requirements under RCW 19.100.180 to buy back, at fair market value, the franchisee's remaining inventory and supplies.

3. Section 25.2 of the Agreement does not apply in the State of Washington.

4. ~~4.~~ In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

5. ~~5.~~ RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

6. ~~6.~~ In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at

the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

7. ~~7.~~ A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

8. ~~8.~~ Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

9. ~~9.~~ Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

10. ~~10.~~ RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

11. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____, 20 ___.

FRANCHISEE: _____

BY:_____
NAME: _
TITLE: _

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

BY: _____
NAME:
TITLE:

EXHIBIT C

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

CONFIDENTIAL OPERATING MANUAL TABLE OF CONTENTS

Table of Contents

Introduction: (5 pgs.)

I. History, Mission and Philosophy _____pg. 4

II. Mai Franchise _____pg. 5

Supplier (2 pgs.)

I. GHG Supplier _____pg. 6

II. Ordering and Receiving _____ pg. 7

Daily Operation Procedures (10 pgs.)

- Opening and Closing _____pg. 8
- Packaging and Labeling _____pg. 12
- Inventory and Stock Control _____pg. 16
- Uniform _____pg. 18

PRODUCTION MANUAL IN SEPARATE BINDER

Accounting and Bookkeeping (9 pgs.)

I. Sales Report_____pg. 19

II. Tax Records _____pg. 21

Safety and Compliance (17 pgs.)

I. Job Safety _____pg. 28

II. Franchisee Responsibilities _____pg. 33

III. Mai Consultant _____pg. 44

Customer Service (16 pgs.)

I. Service_____pg. 45

II. Complaints _____pg. 58

III. Surveys _____pg. 59

Standard Operation Manual Total Pages: 59

EXHIBIT D

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

LIST OF
FRANCHISEES AS OF
June 30, ~~2023~~2024

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(334) 821- 0121

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Bawi Sang Lian
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Ahmad Yousef Alturk
New Leaf Westside, 1101 Fair Ave, Santa Cruz, CA 95060
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Steven Zaw Corp
New Seasons Market-Evergreen, 5667 Silver Creek Valley, San Jose, CA. 95138
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Thawng Thang
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Van Dam
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Ngun tawk Ceu
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Myo Min Kyaw
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Cung Or
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Thein K Ram
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EXHIBIT D (CONT.)

HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC

FORMER FRANCHISEES WHO HAVE LEFT THE SYSTEM DURING THE PAST FISCAL YEAR

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~~Harry Phan Co.~~
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Amos Mangeti
7525 Surry Dr, Indianapolis, IN 46227
(317) 668-8494

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~~Kyaw San Hlaing~~
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Hnaing Bawi Lian
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Ram Seng
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~~Ma Nai Nai~~
Tin Tial
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(248) 756-3920

Maung Bu Khaing
2015 41st St~~.~~, #F-47~~,~~ Rochester, MN 55901
(~~320~~920) ~~267-7967~~918-6470

~~Tin Than Maung~~Myat Myat

2400 N. 34th Ave #, Apt 52
Omaha, NE 68111
(531402) 232-3235909-2313

Aung Kyaw SoeDay Hay Nar
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12840 SE 272nd Place, Kent, WA 98030
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Htay Htay Nyo
1006 99th Place Apt 51, Seattle, WA 98108
(812) 964-9645

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT E

FINANCIAL STATEMENT

Hana Group Franchising, LLC d/b/a
Mai Franchising, LLC and Genji Franchising, LLC

(A Limited Liability Company)

Financial Statements
June 30, 2024, 2023 and 2022

Hana Group Franchising, LLC d/b/a
Mai Franchising, LLC and Genji Franchising, LLC
(A Limited Liability Company)
June 30, 2024, 2023 and 2022

Table of Contents

Independent Auditor's Report 1

Balance Sheets 3

Statements of Income and Member's Equity (Deficit) 4

Statements of Cash Flows 5

Notes to Financial Statements 6

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Independent Auditor's Report

To the Member
Hana Group Franchising, LLC d/b/a Mai Franchising, LLC
and Genji Franchising, LLC

Opinion

We have audited the accompanying financial statements of Hana Group Franchising, LLC d/b/a Mai Franchising, LLC and Genji Franchising, LLC ("Hana Group Franchising, LLC") (a limited liability company), which comprise the balance sheets as of June 30, 2024 and 2023, and the related statements of income and member's equity (deficit), and cash flows for each of the years in the three-year period ended June 30, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hana Group Franchising, LLC as of June 30, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended June 30, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hana Group Franchising, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hana Group Franchising, LLC's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards , we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hana Group Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hana Group Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Citrin Cooperman & Company, LLP

Philadelphia, Pennsylvania
October 16, 2024

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Hana Group Franchising, LLC d/b/a
Mai Franchising, LLC and Genji Franchising, LLC
(A Limited Liability Company)
Balance Sheets
June 30, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash	$ 100,000	$ -
Accounts receivable, net	1,378,033	627,796
Due from franchisees	25,246	164,022
Total Current Assets	1,503,279	791,818
Property and equipment, net	219,790	39,464
Total Assets	$ 1,723,069	$ 831,282
Liabilities and Member's Equity (Deficit)		
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	$ 289,683	$ 146,998
Due to franchisees	1,531,276	494,560
Total Current Liabilities	1,820,959	641,558
Total Liabilities	1,820,959	641,558
Commitments (Note 6)		
Member's equity (deficit)	(97,890)	189,724
Total Liabilities and Member's Equity (Deficit)	$ 1,723,069	$ 831,282

See accompanying notes to financial statements.

Hana Group Franchising, LLC d/b/a
Mai Franchising, LLC and Genji Franchising, LLC
(A Limited Liability Company)
Statements of Income and Member's Equity (Deficit)
For the years ended June 30, 2024, 2023 and 2022

	2024	2023	2022
Revenues			
Franchise fees	$ 380,560	$ 225,000	$ 121,150
Royalties	4,482,242	1,420,991	882,098
Support fees	151,500	75,700	49,421
Total revenues	5,014,302	1,721,691	1,052,669
Operating expenses			
Selling, general and administrative expenses	1,001,689	405,948	531,073
Operating income	4,012,613	1,315,743	521,596
Other income			
Other income	-	122,690	35,327
Interest income	-	1,158	679
Total other income	-	123,848	36,006
Net income	4,012,613	1,439,591	557,602
Member's equity - beginning	189,724	1,049,214	3,171,092
Contribution	100,000	-	-
Distributions	(4,400,227)	(2,299,081)	(2,679,480)
MEMBER'S EQUITY (DEFICIT) - ENDING	$ (97,890)	$ 189,724	$ 1,049,214

See accompanying notes to financial statements.

Hana Group Franchising, LLC d/b/a
Mai Franchising, LLC and Genji Franchising, LLC
(A Limited Liability Company)
Statements of Cash Flows
For the years ended June 30, 2024, 2023 and 2022

	2024	2023	2022
Cash flows from operating activities			
Net income	$ 4,012,613	$ 1,439,591	$ 557,602
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense	60,552	6,304	749
Changes in operating assets and liabilities:			
Accounts receivable	(750,237)	(154,939)	(58,372)
Due from franchisees	138,776	(141,628)	(22,394)
Accounts payable and accrued expenses	142,685	9,155	9,405
Due to franchisees	1,036,716	146,792	190,417
Other liabilities	-	(15,935)	(749)
Net cash provided by operating activities	4,641,105	1,289,340	676,658
Cash flows from investing activities			
Purchase of property and equipment	(240,878)	(42,507)	-
Proceeds on dispositions of property and equipment	-	12,674	-
Net cash used in investing activities	(240,878)	(29,833)	-
Cash flows from financing activities			
Member distributions	(4,400,227)	(2,299,081)	(2,679,480)
Member contributions	100,000	-	-
Net cash used in financing activities	(4,300,227)	(2,299,081)	(2,679,480)
Net increase (decrease) in cash	100,000	(1,039,574)	(2,002,822)
Cash - beginning	-	1,039,574	3,042,396
CASH - ENDING	$ 100,000	$ -	$ 1,039,574

See accompanying notes to financial statements.

1. ORGANIZATION

Hana Group Franchising, LLC (the "Company"), a wholly owned subsidiary of Hana Group US, LLC ("HGUS"), was formed in June 2015, as a Delaware limited liability company to sell franchises under the name "Mai" and "Mai Franchising" and "Genji" and "Genji Franchising" pursuant to license agreements with HGUS.

The Company's only business is to offer and sell franchises for operations of sushi bars under the name of "Mai Sushi Bars" and "Genji Sushi Bars," in addition to providing support to franchisees. These sushi bars operate in third-party retail locations managed by third-party retailers ("Retailer"). The Mai and Genji concepts are carefully designed, specializing in sushi and Japanese-inspired cuisine. The Company awards franchises for an initial fee and generates ongoing retail commission and royalty fees based on franchisees' gross sales.

The Company's profits, losses and distributions are allocated to the limited liability member as provided for in the limited liability company agreement. The Company is a limited liability company, and the member is not liable for its debts, obligations, or liabilities unless the member has signed a specific guarantee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The Company prepares its financial statements using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The accompanying financial statements are prepared in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2018-17, Consolidation (Topic 810): *Targeted Improvements to Related Party Guidance for Variable Interest Entities* ("ASU 2018-17"), which no longer requires nonpublic companies to apply variable interest entity guidance to certain common control arrangements. Hana Group Ops, LLC and GHG Logistics, LLC are affiliated entities through common ownership and control. Each of the affiliated entities are wholly owned by HGUS. The Company has elected not to consolidate these companies under ASU 2018-17.

Use of estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Revenue recognition - The Company records revenue in accordance with FASB Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("Topic 606"). Additionally, the Company follows the provisions of FASB ASU No. 2021-02, Franchisors - Revenue from Contracts with Customers (Subtopic 952-606) ("ASU 2021-02").

The Company derives its revenues from franchise fee revenue, support fees, royalty revenue and transfer fees.

Franchise free, royalties and support fees - Contract consideration from franchisees primarily consists of initial or renewal franchise fees, support fees for the initial training program, sales-based royalties, and transfer fees payable by the franchisee for the transfer of its franchise unit to another franchisee. The initial franchise fees and support fees are nonrefundable and collected when the underlying franchise agreement is signed by the franchisee. Sales-based royalties are payable weekly or monthly. Renewal and transfer fees are payable when an existing franchisee renews the franchise agreement for an additional term or when a transfer to a third party occurs, respectively.

The Company's primary performance obligations under the franchise agreement include the granting of certain rights to access the Company's intellectual property in addition to a variety of activities relating to the opening of a franchise unit. Those costs include training and other such activities commonly referred to collectively as "pre-opening activities." Pre-opening activities consistent with those under ASU 2021-02 are recognized as a single performance obligation. For all other pre-opening activities, if any, the Company determines if a certain portion of those pre-opening activities provided is not brand specific and provides the franchisee with relevant general business information that is separate from the operation of a company-branded franchise unit. The portion of pre-opening activities, if any, that is not brand specific is deemed to be distinct, as it provides a benefit to the franchisee and is not highly interrelated to the use of the Company's intellectual property and therefore accounted for as a separate performance obligation. All other pre-opening activities are determined to be highly interrelated to the use of the Company's intellectual property and therefore accounted for as a component of a single performance obligation which is satisfied along with granting of certain rights to use the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company first allocates the initial franchise fees and the fixed consideration under the franchise agreement to the stand-alone selling price of the pre-opening activities and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities is recognized when the franchisee location opens. Initial and renewal franchise fees allocated to the right to access the Company's intellectual property are recognized as revenue on a straight-line basis over the term of the respective franchise agreement. During the years ended June 30, 2024, 2023 and 2022, all franchise fees were recognized when the franchisee location opened based on the stand-alone selling price of the pre-opening activities.

Royalties are earned as a percentage of franchisee gross sales over the term of the franchise agreement, as defined in each respective franchise agreement. Franchise royalties which represent sales-based royalties that are related entirely to the use of the Company's intellectual property are recognized as franchisee sales occur and the royalty is deemed collectible.

Brand development fund - The Company reserves the right to establish a brand development fund to collect and administer funds contributed for use in advertising and promotional programs for franchise units. Brand development fund fees are collected from franchisees based on a percentage of franchisee gross revenues. The Company has determined that it acts as a principal in the collection and administration of the brand development fund and therefore recognizes the revenues and expenses related to the brand development fund on a gross basis. The Company has determined that the right to access its intellectual property and administration of the brand development fund are highly interrelated and, therefore, are accounted for as a single performance obligation. As a result, revenues from the brand development fund represent sales-based royalties related to the right to access the Company's intellectual property, which are recognized as franchisee sales occur. When brand development fund fees exceed the related brand development fund expenses in a reporting period, advertising costs are accrued up to the amount of brand development fund revenues recognized. As of June 30, 2024, 2023 and 2022, the Company has not yet established a brand development fund.

Accounts receivable and due from franchisees - Accounts receivable represent amounts due from Retailers for sales generated by the franchisee at the retail location. The Company also has amounts due from franchisees for franchise and support fees. Accounts receivable and amounts due from franchisees are stated at the amount the Company expects to collect. The Company maintains allowances for doubtful accounts, and changes in the allowance are included in selling, general and administrative expenses in the accompanying statements of income and member's equity (deficit). The Company assesses collectability by reviewing accounts receivable and amounts due from franchisees on a collective basis where similar risk characteristics exist. In determining the allowance for doubtful accounts, management considers historical collectability and makes judgements about the creditworthiness of the Retailers and franchisees based on credit evaluations. Current market conditions and reasonable and supportable forecasts of future economic conditions adjust the historical losses to determine the appropriate allowance for doubtful accounts. Uncollectible accounts are written off when all collection efforts have been exhausted.

Under the prior accounting rules, the Company evaluated the following factors when determining the collectability of specific customer accounts: customer creditworthiness, past transaction history with the customer, current economic industry trends, and changes in customer payment terms.

Gross accounts receivable at June 30, 2024, 2023 and 2022 were $1,378,033, $627,796 and $472,857, respectively. There was no allowance for doubtful accounts at June 30, 2024, 2023 and 2022.

Income taxes - As a limited liability company, the Company is treated as a disregarded entity on HGUS's tax return for federal and state income tax purposes. Accordingly, no provision has been made for income taxes in the accompanying financial statements, since all items of income or loss are required to be reported on the income tax returns of HGUS, who is responsible for any taxes thereon.

Uncertain tax positions - The Company follows accounting requirements associated with uncertainty in income taxes using the provisions of FASB ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in these financial statements when it is more likely than not that the positions will be sustained upon examination by the taxing authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

As of June 30, 2024 and 2023, the Company had no uncertain tax positions that qualify for either recognition or disclosure in these financial statements. Additionally, the Company had no interest or penalties related to income taxes. HGUS files income tax returns in the U.S. federal jurisdiction and in various state jurisdictions.

Property and equipment - Acquisitions of property and equipment are recorded at cost. Improvements and replacements are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss reported in the statements of income and member's equity (deficit).

Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which consist of equipment with a useful life of three to five years.

Long-lived assets - The Company's long-lived assets are reviewed whenever events or changes in circumstances indicate that the carrying amount of the asset in question may not be recoverable. If the sum of the expected future undiscounted cash flows is less than the carrying amount of the asset, the Company recognizes an impairment loss based on the estimated fair value of the asset. The Company did not identify any impairment adjustments during the years ended June 30, 2024, 2023 and 2022.

Advertising - Advertising costs are expensed as incurred. Advertising costs for the years ended June 30, 2024, 2023 and 2022 were insignificant.

Franchised outlets - The following data reflects the status of the Company's franchises under the Mai Franchising, LLC brand as of and for the years ended June 30, 2024, 2023 and 2022:

	2024	2023	2022
Franchises sold	60	33	15
Franchises purchased	-	-	-
Franchised outlets in operations	120	76	54
Franchisor-owned outlets in operations	-	-	-

The following data reflects the status of the Company's franchises under the Genji Franchising LLC brand as of and for the years ended June 30, 2024, 2023 and 2022:

	2024	2023	2022
Franchises sold	24	13	-
Franchises purchased	-	-	-
Franchised outlets in operations	37	13	-
Franchisor-owned outlets in operations	-	-	-

Leases - The Company determines if an arrangement is a lease at the inception of the contract. At the lease commencement date, each lease is evaluated to determine whether it will be classified as an operating or finance lease. For leases with a lease term of 12 months or less, any fixed lease payments are recognized on a straight-line basis over such term, and are not recognized on the balance sheet. The Company did not have any lease contracts during the years ended June 30, 2024, 2023 and 2022.

Recently adopted accounting pronouncement - In June 2016, the FASB issued ASU No. 2016-03, *Financial Instruments-Credit Losses* (Topic 326) ("ASC 326"), along with subsequently issued related ASUs, which requires financial assets (or groups of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected, among other provisions. ASC 326 eliminates the probable initial threshold for recognition of credit losses for financial assets recorded at amortized cost, which could result in earlier recognition of credit losses. It utilizes a lifetime expected credit loss measurement model for the recognition of credit losses at the time the financial asset is originated or acquired. The Company's financial instrument include accounts receivable and due from franchisees. The expected credit losses are adjusted each period for changes in expected lifetime credit losses.

The Company adopted ASC 326 using the modified retrospective method at July 1, 2023, and it did not have a material impact on the financial statements.

Subsequent events - In accordance with FASB ASC 855, *Subsequent Events*, the Company has evaluated subsequent events through October 16, 2024, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

3. DISAGGREGATED REVENUE

The Company derives its revenues from Mai and Genji franchisees located throughout the United States. The economic risks of the Company's revenues are dependent on the strength of the economy in the United States, and the Company's ability to collect on its contracts. The Company disaggregates revenue from contracts with customers by geographic region, as it believes this best depicts how the nature, amount and uncertainty of revenue and cash flows are affected by economic factors.

All the Company's revenues for financial reporting purposes are recorded at point in time. Revenues by geographic region in the United States for the years ended June 30, 2024, 2023 and 2022, are as follows:

	2024	2023	2022
Western	$ 1,190,670	$ 386,406	$ 195,813
Midwest	2,048,585	886,373	636,535
Eastern	1,775,047	448,912	220,321
Total	$ 5,014,302	$ 1,721,691	$ 1,052,669

4. CONCENTRATIONS

The Company maintains cash balances in financial institutions which, at times, may exceed amounts insured by the Federal Deposit Insurance Corporation. The Company has not experienced losses in such accounts and believes it is not exposed to any significant credit risk on cash.

The Company's accounts receivable represents amounts due from Retailers for sales generated by the franchisee at the retail location. As of June 30, 2024, three Retailers accounted for 94% of the Company's accounts receivable. There were no concentrations of accounts receivable by franchisee as of June 30, 2024. As of June 30, 2023, four Retailers accounted for 96% of the Company's accounts receivable. There were no concentrations of accounts receivable by franchisee as of June 30, 2024 and 2023.

During the year ended June 30, 2022, two franchisees accounted for 25% of the Company's revenue. There were no revenue concentrations during the years ended June 30, 2024 and 2023.

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2024 and 2023:

	2024	2023
Equipment	$ 282,757	$ 43,942
Less: accumulated depreciation	62,967	4,478
Property and equipment, net	$ 219,790	$ 39,464

Depreciation expense for the years ended June 30, 2024, 2023 and 2022 was $60,552, $6,304 and $749, respectively.

6. RELATED-PARTY TRANSACTIONS

Cash management - In August 2022, the Company closed its cash account and distributed the cash balance of $1,040,732 to HGUS. Subsequent to the closure of the bank account, all cash receipts and cash disbursements pertaining to the Company's operations are managed by HGUS and recorded as due from or due to HGUS, respectively. The net balance due from HGUS as of June 30, 2024 and 2023, was recorded as a distribution. In February 2024, the Company received a $100,000 contribution from HGUS, which was deposited into a new cash account opened by the Company in 2024.

Due from franchisees - Amounts due from franchisees to be collected by HGUS were $25,246 and $164,022 at June 30, 2024 and 2023, respectively.

Due to franchisees - Amounts due to franchisees relate to sales that have occurred at the retail location for which the Company has not paid the franchisees for their respective portion of revenues. Amounts due to franchisees were $1,531,276 and $494,560 at June 30, 2024 and 2023, respectively.

Referral fee income - The Company had a verbal referral agreement with a related-party supplier. Under the terms of the agreement, the Company earned a 6% or 10% referral on purchases made by franchisees from the supplier, to be paid quarterly. This agreement expired during the year ended June 30, 2023. During the years ended June 30, 2023 and 2022, the Company earned approximately $116,000 and $11,000 on related-party supplier purchases, respectively, which are included in "Other income" in the accompanying statements of income and member's equity (deficit).

License agreements - The Company has royalty-free, non-exclusive trademark license agreements with HGUS for the use of the registered names "Mai" and "Genji." Pursuant to the respective license agreements, the Company has acquired the right to sell Mai and Genji franchises, respectively, and the right to earn franchise fees, royalties and other fees from franchisees. Both license agreements will remain in force unless terminated by both parties in writing.

7. RETIREMENT PLAN

HGUS sponsors a qualified 401(k) profit-sharing retirement plan (the "Plan") which includes the employees that it provides to the Company. For the years ended June 30, 2024, 2023 and 2022, the Company's portion of the discretionary contribution to the Plan was $1,253, $944 and $1,132 respectively.

EXHIBIT F

STATE ADDENDA TO DISCLOSURE DOCUMENT

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

The disclosure document is amended to include the following:

1. The franchisor will not enforce in California the prohibition on franchisee employing or soliciting for employment any current or former employee of franchisor, its affiliates, or other franchisees (also known as a no-poach/non-solicitation provision) in section 8.1(c)(2) of the franchise agreement that is disclosed in Item 17, rows q and r or in any other non-compete agreement.

2. The franchise agreement contains a provision requiring you to waive your right to punitive or exemplary damages against the franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

3. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. Item 3 is amended to reflect that:

Neither Hana Group Franchising, LLC d/b/a Mai Franchising, LLC nor any person identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A. 78a et seq., suspending or expelling such persons from membership is such association or exchange.

5. Item 17 is amended by the addition of the following language:

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or nonrenewal 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. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains covenants not to compete which extend beyond expiration or termination of the Agreement. These provisions may not be enforceable under California law.

The California Corporations Code, Section 31125 requires Hana Group Franchising, LLC d/b/a Mai Franchising, LLC to give you a disclosure document, approved by the Department of Financial

Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

If the Franchise Agreement contains a liquidated damages clause, under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement requires the application of the laws of the Commonwealth of Pennsylvania. This provision may be unenforceable under California Law.

You must sign a general release if you renew or transfer your franchise. California Corporations Code Sec. 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). California Business and Professions Code Sec. 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

6. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

7. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIADEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

8. California local county health departments inspect restaurants and other retail food facilities to ensure compliance with safe food handling practices and adequacy of kitchen facilities.

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ADDENDUM TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF ILLINOIS

1. Illinois law governs the Franchise Agreement.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. You will operate a sushi bar from space within another retail business negotiated by the Franchisor and the business entity, not you. If for any reason the contract for your sushi bar site expires or is terminated, then you may no longer operate your sushi bar within the designated retail space and the Franchisor will have no obligation to provide you with another site, refund any money to you or honor your Franchise Agreement.

6. Under this Franchise Agreement, you will pay royalties to the Franchisor and commissions to the Retail Operator equal to 40% of your Gross Sales before earning any income for yourself.

7. If you buy this franchise, the Franchisor can require you to operate 1 or more satellite franchises within a 40 mile radius of your sushi bar. Additionally, the retail business entity may require you to relocate your sushi bar to another site at your sole cost and expense.

8. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ADDENDUM TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF INDIANA

The Disclosure Document is amended to include the following:

1. Item 17 of the Disclosure Document is amended by inserting the following provision:

Notwithstanding any other provision in this document, any release executed in connection with the Franchise Agreement, whether upon renewal or transfer, will not apply to any claims that may arise under the Franchise Disclosure Law and the Indiana Deceptive Practices Act.

2. The post termination covenant not to compete of the Disclosure Document shall not apply to a franchisee's activities outside the territory.

3. Indiana law makes unilateral termination of a franchise unlawful unless there is a material violation of the Franchise Agreement and the termination is not done in bad faith.

4. If Indiana law requires the Franchise Agreement and all related documents to be governed by Indiana law, then nothing in the Franchise Agreement or related documents referring to Pennsylvania law will abrogate or reduce any of your rights as provided for under Indiana law.

ADDENDUM TO HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND

This will serve as the State Addendum for the State of Maryland for Hana Group Franchising, LLC d/b/a Mai Franchising, LLC's Franchise Disclosure Document.

1. Item 17 of the Disclosure Document is amended to state that the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17 of the Disclosure Document is amended to state that a franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Item 17 of the Disclosure Document is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

4. Item 17 of the Disclosure Document is amended to state that the provisions in the Franchise Agreement which provide for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF MINNESOTA

This addendum to the Disclosure Document effectively amends and revises said Disclosure Document and Franchise Agreement as follows:

1. Item 13 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use."

2. Item 17 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Stat. Sec. 80c.14, Subd.3, 4 and 5 require, except in certain specified cases, that (i) Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement, and (ii) Franchisor's consent to renew the Franchised Business will not be unreasonably withheld."

3. Item 17 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minn. Stat. Sec. 80C.21 and Rule 2860.4400(J) prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document or agreements can abrogate or reduce (i) any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (ii) Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

4. Item 17 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

> "Minn. Rule 2860.4400(D) prohibits Franchisor from requiring Franchisee to assent to a general release."

5. Pursuant to Minn. Rule 2860.4400(J), Franchisee cannot consent to Franchisor obtaining injunctive relief, but Franchisor may seek injunctive relief. Also, a court will determine if a bond is required.

6. The Franchise Agreement is hereby amended to comply with Minn. Stat. Sec. 80C.17, Subd. 5 regarding Limitations of Claims.

7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ~~THAT~~ ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS ~~WHICH~~THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

~~Except as provided above, with regard~~With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding

brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for a franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or ~~upon~~ the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 *et seq.*), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF NORTH DAKOTA

Item 17 of the Disclosure Document is amended by the addition of the following:

1. Section 51-19-09 of North Dakota Franchise Investment Law prohibits the waiver of punitive damages.

2. Section 9-08-06 of the North Dakota Century Code limits the Franchisor's ability to restrict your activity after the Franchise Agreement has ended.

3. The general release required as a condition of renewal of the Franchise Agreement shall not relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.

4. North Dakota Franchise Investment Law Section 51-19-09 prohibits requiring a franchisee to consent to liquidated damages. Under the terms of the Franchise Agreement, as modified by the North Dakota Addendum to the Franchise Agreement, all references to liquidated damages are deleted.

5. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from Franchise Agreements issued in the State of North Dakota.

6. Any provision in the Franchise Agreement which requires a franchisee to consent to the waiver of a trial by jury is deleted from Franchise Agreements issued in the State of North Dakota.

7. Any provision in the Franchise Agreement which requires a franchisee to consent to a limitation of claims is subject to the applicable statute of limitations under North Dakota law with respect to Franchise Agreements issued in the State of North Dakota.

8. Notwithstanding any provision in the Franchise Agreement that requires the Franchisee to pay all costs and expenses incurred by the Franchisor in enforcing the Franchise Agreement, the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees, with respect to Franchise Agreements issued in the State of North Dakota.

9. Item 17(r) of the Disclosure Document, Article VIII of the Franchise Agreement and Exhibit 5 of the Franchise Agreement may disclose or provide for certain covenants restricting competition to which franchisees must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

The laws of the State of North Dakota supersede any provisions of the Franchise Agreement or Pennsylvania law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law, rather than Pennsylvania law, as stated in Section 22.3 of the Franchise Agreement.

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE COMMONWEALTH OF VIRGINIA

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Hana Group Franchising, LLC d/b/a Mai Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement and development agreement does not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

ADDENDUM TO THE HANA GROUP FRANCHISING, LLC d/b/a Mai Franchising, LLC DISCLOSURE DOCUMENT FOR THE STATE OF WASHINGTON

The Disclosure Document is amended to include the following:

Items 1, 8, 11, 12 and 17(e) are hereby amended to eliminate references to the franchisor's ability to terminate your franchise agreement in the event you are no longer permitted by the Retail Operator to operate a Mai Sushi Bar at the Retail Location.

Items 8, 11, 12 and 17(e) are hereby amended to provide that franchisor shall only terminate a franchisee's right to operate a Mai Satellite Sushi Bar for good cause, which shall include the lawful termination of your franchise agreement.

Item 12 of the Disclosure Document provides that a Retail Operator may have the right to require that your Mai Sushi Bar or Mai Satellite Sushi Bar be relocated to another area located within the Retail Location, at your sole cost and expense, and franchisor is not obligated to compensate you or reimburse you for any costs or expenses associated with such relocation. This disclosure is hereby amended to provide that in connection with any relocation of your Mai Sushi Bar or Mai Satellite Sushi Bar within the Retail Location, franchisor shall provide you with reasonable assistance in connection with any such relocation and reimburse you for your reasonable, documented out-of-pocket costs and expenses associated with any such relocation.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

EXHIBIT G
STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT H
RECEIPT

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC FDD # -

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Hana Group Franchising, LLC d/b/a Mai Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

[New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

[Michigan, Oregon and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If Hana Group Franchising, LLC d/b/a Mai Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

The franchisor is Hana Group Franchising, LLC d/b/a Mai Franchising, LLC, 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. Its telephone number is (267) 264-2345.

Issuance Date: ~~August 4, 2023, as amended July 9~~October 16, 2024

The franchise seller(s) for this offering is/are (check all that apply):

Reeta Ale Magar, Hana Group Franchising, LLC d/b/a Mai Franchising, LLC, 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. Her telephone number is (267) 264-2345.

Other (Specify name, title, company, address and telephone number):

_____.

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in that particular state.

I have received a Franchise Disclosure Document with an issuance date of ~~August 4, 2023, as amended July 9~~October 16, 2024, and with effective date(s) of state registration as described in the FDD. This Disclosure Document included the following Exhibits:

1. State Administrators and Agents for Service of Process

2. Franchise Agreement

3. Confidential Operating Manual Table of Contents

4. List of Franchisees

5. Financial Statements

6. State Addenda to Disclosure Document

7. This Receipt

Date: _____ Franchisee: (Do Not Leave Blank)

Printed name: _____

Franchisee: _____

Printed name: _____

TO BE RETURNED TO:

You may return the signed receipt either by signing, dating, and mailing it to Hana Group Franchising, LLC d/b/a Mai Franchising, LLC at 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106, or by faxing a copy of the signed and dated receipt to Hana Group Franchising, LLC d/b/a Mai Franchising, LLC at (844) 802-7510.

EXHIBIT H
RECEIPT

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC FDD # -

---

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Hana Group Franchising, LLC d/b/a Mai Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

[New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

[Michigan, Oregon and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If Hana Group Franchising, LLC d/b/a Mai Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

The franchisor is Hana Group Franchising, LLC d/b/a Mai Franchising, LLC, 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. Its telephone number is (267) 264-2345.

Issuance Date: ~~August 4, 2023, as amended July 9~~October 16, 2024

The franchise seller(s) for this offering is/are (check all that apply):

Reeta Ale Magar, Hana Group Franchising, LLC d/b/a Mai Franchising, LLC, 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106. Her telephone number is (267) 264-2345.

Other (Specify name, title, company, address and telephone number):

_____.

Hana Group Franchising, LLC d/b/a Mai Franchising, LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in that particular state.

I have received a Franchise Disclosure Document with an issuance date of ~~August 4, 2023, as amended July 9~~October 16, 2024, and with effective date(s) of state registration as described in the FDD. This Disclosure

Document included the following Exhibits:

1. State Administrators and Agents for Service of Process
2. Franchise Agreement
3. Confidential Operating Manual Table of Contents
4. List of Franchisees
5. Financial Statements
6. State Addenda to Disclosure Document
7. This Receipt

Date: _____

Franchisee: (Do Not Leave Blank)

Printed name: _____

Franchisee: _____

Printed name: _____

TO BE RETURNED TO:

You may return the signed receipt either by signing, dating, and mailing it to Hana Group Franchising, LLC d/b/a Mai Franchising, LLC at 6390 Hedgewood Drive, Suite 300, Allentown, PA 18106, or by faxing a copy of the signed and dated receipt to Hana Group Franchising, LLC d/b/a Mai Franchising, LLC at (844) 802-7510.

Summary report: **Litera Compare for Word 11.9.1.1 Document comparison done on 10/16/2024 4:04:01 PM**	
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Intelligent Table Comparison: Active	
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Embedded Excel	0
Format changes	0
Total Changes:	1425