FRANCHISE DISCLOSURE DOCUMENT

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As a franchisee, you will operate a business specializing in a full-service, casual, family-oriented restaurant facility featuring Filipino-style cuisine.

The total investment necessary to begin operation of one Flagship Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® ranges from $729,000 to $1,840,000. This includes $50,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of your first Flagship Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® under an Area Development Agreement ranges from $1,327,000 to $2,027,000. This includes $150,000 that must be paid to the franchisor or affiliate. For franchisees with one Flagship Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® in operation or development, the total investment necessary to begin operation of one Fast Casual Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® ranges from $692,200 to $1,084,000. This includes $50,000 that must be paid to the franchisor or affiliate. The initial investment necessary to begin operation of your first Fast Casual Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® under an Area Development Agreement ranges from $792,200 to $1,184,000. This includes $150,000 that must be paid to the franchisor or affiliate. For franchisees with one Flagship Format or Fast Casual Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® in operation, the total investment necessary to begin operation of one TO GO Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® ranges from $173,900 to $206,000. This includes $15,000 that must be paid to the franchisor or affiliate.

The total investment necessary for any subsequent MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® business under an Area Development Agreement varies based on the number and format of businesses you commit to develop and includes $50,000 that must be paid to the franchisor for each.

This Franchise Disclosure Document summarizes certain provisions of your Franchise Agreement, Area Development Agreement, and other information in plain English. Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, 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 Franchise Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact William E. Rodgers at 1350 Pine St. Suite 6, Boulder, CO 80302, (303) 907-7971, wer@maxsgroupinc.com.

The terms of your contract will govern your franchise relationship. Do not rely on this Franchise 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 Franchise Disclosure Document, is available from the Federal Trade Commission (the "**FTC**"). 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: April 15, 2026

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 Exhibits F or H.
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 MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® 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 MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchisee?	Item 20 or Exhibits F and H 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 and area development agreement require you to resolve disputes with the franchisor by arbitration or litigation only in Colorado. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Colorado than in your own state.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "**we**" or "**us**" means eMax's, LLC, the Franchisor. "**You**" means the person or entity that buys the franchise. If the franchisee is a corporation, partnership or other entity, "**you**" also may mean its owners.

The Franchisor and Affiliates

We are a Colorado limited liability company that was formed on August 8, 2000. Our principal place of business is 1350 Pine St. Suite 6, Boulder, CO 80302. We do business under the names "MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®" and "MAX'S OF MANILA®" and "THE HOUSE THAT FRIED CHICKEN BUILT®", in addition to our corporate name. We have offered franchises in this line of business since 2002 in the United States and other countries. From May 2014 through December 2015, and from June 2019 through December 2019, we also offered franchises in the United States under the name "Yellow Cab Pizza Co.," which was described in a separate Franchise Disclosure Document. As of the date of this Disclosure Document, there are two Yellow Cab Pizza Co. franchises; one is located in Honolulu, Hawai'i, and another is located in Houston, Texas. From May 2014 through December 2014, we also offered franchises in the United States under the name "Teriyaki Boy," which was described in a separate Franchise Disclosure Document. We do not own or operate businesses of the type being offered. Except as previously described, we do not engage in any other business activities and have not offered franchises in any other line of business. Our agents for service of process are listed in **Exhibit A.**

We have 11 affiliates ("**Affiliates**").

Max's Kitchen, Inc. ("**MKI**") is a Philippines-based corporation that was incorporated in the Philippines on November 9, 2002. Its principal place of business is 3F KDC Plaza, Chino Roces Avenue, Makati City, Metro Manila, Philippines. MKI operates under the names "MAX'S RESTAURANT®" and "MAX'S KABISERA®". Since 2015 it has offered franchises in the Philippines similar to those that we offer to you, and as of December 31, 2025, it has 83 franchises doing business under the name "MAX'S RESTAURANT™" in the Philippines. MKI has not offered franchises in any other line of business. It does not own or operate any business of the type being offered, nor has it engaged in any other type of business. MKI is a wholly-owned subsidiary of MGI. Prior Franchise Disclosure Documents stated Max's Franchising, Inc., a Philippines-based corporation, offered franchises in the Philippines similar to those that we offer to you under the name "MAX'S RESTAURANT™" in the Philippines. However, Max's Franchising, Inc. was merged into MKI in 2015. As a result, Max's Franchising, Inc. no longer exists as a legal entity.

AdCircles, Inc. is a Philippines-based corporation that was incorporated in the Philippines in February 2001. Its principal place of business is 3F KDC Plaza, Chino Roces Avenue, Makati City, Metro Manila, Philippines. It was established for the purpose of advertising and marketing Max's Restaurants in the Philippines. AdCircles, Inc. also provides advertising materials for use by us. AdCircles, Inc. does not engage in any other business activities and has not offered franchises in any line of business. AdCircles, Inc. is a wholly-owned subsidiary of our ultimate parent, MGI.

Alpha Max Group Limited is a Hong Kong-based private limited company that was formed in Hong Kong on January 8, 2010. It is a wholly-owned subsidiary of our ultimate parent, MGI. Its principal place of business is Flat/Rm 2302, 23/F Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong. Since 2010, it has offered franchises similar to those that we offer to you in areas outside of the Philippines and North America, namely, Southeast Asia and the Middle East. As of December 31, 2025, there are four franchises doing business in the Middle East under the name "MAX'S RESTAURANT®." Alpha Max Group Limited also has 18 franchises doing business under the name "Yellow Cab Pizza Co.," two franchises doing business under the name "Pancake House," six franchises doing business under the name "Sizzlin' Steak" and "Teriyaki Boy," and two franchises doing business under the name "Dencio's." Alpha Max Group Limited has not offered franchises in any other line of business. It does not own or operate any business of the type being offered, nor has it engaged in any other type of business.

The original MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant dates back to 1945 in the Philippines. Maximo Gimenez opened a café with the help of his niece Ruby. Maximo, known to all as "Max," served the drinks, while Ruby served the now-famous fried chicken. They called the place "Max's Bar and Café." Three families, all of whom are descendants of the founders of this original establishment, formed numerous corporations with varying degrees of ownership among the three families to own and operate Affiliate-owned restaurants in the Philippines and in the United States. Two of these corporations are incorporated in California: Max's of Manila, Inc., formed in May 1976, owns and operates Affiliate-owned restaurants in Santa Clarita, California, and Granada Hills, California (under the TO GO Format), and Glendale, California, that do business as MAX'S OF MANILA®, and Rubylin, Inc., formed in October 1981, owns and operates units in South San Francisco, California, Milpitas, California, and Daly City, California that do business as "MAX'S OF THE PHILIPPINES RESTAURANT™". Another corporation is incorporated in Nevada: Golden Wings Ventures, Inc., formed in January 2012, owns and operates an Affiliate-owned restaurant in Las Vegas, Nevada that will do business as under the name "MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® ™.

On January 1, 2015, Max's Group, Inc. ("**MGI**"), which is a corporation organized and existing under the laws of the Philippines and listed with the Philippine Stock Exchange, became our parent. Because the same three families mentioned above own, in the aggregate, a majority of the outstanding capital stock of MGI, we share common shareholders and common management personnel with MGI and our Affiliates. Additionally, the same three families own a Philippines-based corporations that own and operate two commissaries and a bakeshop that supply the chain of restaurants in the Philippines.

Pancake House, Inc. was formed in 1974. On August 22, 2014, Pancake House, Inc. was renamed to Max's Group, Inc. following its acquisition by the aforementioned three families. Its principal place of business is 3rd Floor KDC Plaza, Chino Roces Avenue, Makati City, Metro Manila, Philippines. As of December 31, 2025, MGI and its Philippine subsidiaries operated and franchised a total of 222 casual dining restaurants under the following brands in the Philippines: Max's Restaurant, Yellow Cab Pizza Co., Dencio's, Teriyaki Boy, Sizzlin' Steak, and Pancake House. MGI, through its former subsidiary Room Ventures Corporation ("**RVC**"), also opened its first boutique hotel, called Meranti, in 2015 but sold the same in 2019 through the sale of RVC. Except as previously described, MGI has not offered franchises in any other line of business. It does not

own or operate any business of the type being offered, nor has it engaged in any other type of business except as previously described.

Based on a corporate restructuring which became effective on January 1, 2016 ("**Corporate Restructuring**"), we are owned by a wholly-owned subsidiary of MGI, M Food Concepts, Inc. ("**M Food Concepts**"). Accordingly, M Food Concepts is now our parent and MGI is our ultimate parent. M Food Concepts is a Colorado corporation that was formed on October 12, 2015 and serves as a holding company for us and our affiliate, Sizzlin' Steak. The principal place of business for M Food Concepts is 1350 Pine St. Suite 6, Boulder, CO 80302. M Food Concepts has not offered franchises in this line or any other line of business. M Food Concepts does not own or operate any business of the type being offered, nor has it engaged in any other type of business.

Sizzlin' Steak, Inc. ("**Sizzlin' Steak**") is a California corporation that was formed on September 24, 2015. Like us, it became a wholly-owned subsidiary of M Food Concepts as a result of the Corporate Restructuring. It previously operated one Sizzlin' Steak restaurant, located in Glendale, California, but that restaurant ceased operations in April 2018. Sizzlin' Steak's principal place of business is 313 W. Broadway, Glendale, CA 91204. Sizzlin' Steak does not own or operate any business of the type being offered, nor has it engaged in any other type of business.

Yellow Cab Food Corp ("**YCFC**") is a Philippines corporation formed in 2000. In September 2011, YCFC became a wholly-owned subsidiary of Pancake House, Inc. ("**PHI**") when PHI acquired YCFC and its operating assets. In February 2014, YCFC became a wholly-owned subsidiary of MGI (following the name change from PHI to MGI). YCFC is the original owner of the marks, the system, and all other intellectual property relating to the Yellow Cab Pizza Co. system and franchised restaurants, but assigned the Marks to us on September 10, 2014. YCFC launched the Yellow Cab Pizza Co. brand in 2000 and has offered Yellow Cab Pizza Co. franchises in the Philippines since 2002. In 2018, YCFC was merged into Teriyaki Boy Group, Inc. ("**TBGI**"), with TBGI being the surviving entity. In the Philippines, TBGI owns and operates businesses of the type being offered under the separate Yellow Cab Pizza Co. Franchise Disclosure Document. Other than what is described above, it does not engage in any other business activities and, other than what is described above, has not offered franchises in any other line of business.

Yellow Cab Food Co. International – Inc. ("**YCI**") is a corporation organized under the laws of the British Virgin Islands on June 8, 2012. YCI's principal place of business is at First Lucky Place, 2259 Chino Roces Avenue Extension, Makati City, Philippines. In February 2014, YCI became a wholly owned subsidiary of MGI. YCI was originally established to exclusively handle the international franchising operations for the Yellow Cab Pizza Co. brand. YCI has offered Yellow Cab Pizza Co. franchises since 2012. YCI has no other business activities except for international franchising operations and does not own or operate any business of the type being offered, nor has it engaged in any other type of business.

Description of Franchise

We grant you the right to operate one MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant ("**Franchised Restaurant**") according to specifications, standards, marketing, and advertising techniques we develop, under a Franchise Agreement attached to this Disclosure Document as **Exhibit C**. We offer two formats for a Franchised Restaurant which

may be located either in a freestanding building or an in-line store: (1) the flagship format ("**Flagship Format**") encompassing approximately 3,000 square feet or more and (2) the fast casual format ("**Fast Casual Format**") encompassing less than 3,000 square feet. For our current franchisees, we also offer a format for a Franchised Restaurant which may be located in an in-line store and supported by a currently existing and operating Flagship Format or Fast Casual Format Franchised Restaurant: the TO GO format ("**TO GO Format**") encompassing approximately 350 to 450 square feet. As of the date of this Disclosure Document, a current franchisee may only purchase the right to operate one TO GO Format Franchised Restaurant.

The Franchised Restaurant will operate under the Marks "MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®" and "MAX'S OF MANILA®" and "THE HOUSE THAT CHICKEN BUILT®", and associated marks and trademarks that we designate as part of the System ("**Marks**"). The Franchised Restaurant operates under a system ("**System**") that includes distinguishing characteristics such as Filipino-style cuisine, including but not limited to, appetizers, chicken, beef, pork, fish, shrimp, fried rice, noodles, vegetables, desserts, and other food and beverage products, all prepared in accordance with specified recipes and procedures ("**Menu Items**"); a proprietary line of specially formulated sauces, spice mixes, and other food products that we may develop in the future ("**Proprietary Products**") the exterior and interior design of the restaurants; exclusively designed signage and materials; operating procedures and methods; the MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® Confidential Operations Manual ("**Manual**"); certain items and merchandise that we may develop bearing the trademarks ("**Trademarked Products**"); special techniques for display, merchandising and marketing of products; procedures for maintenance; Franchised Restaurant operating methods; and methods and techniques for inventory and cost controls, record keeping and reporting, personnel management and training, purchasing, sales promotion, marketing and advertising. We may change and develop the System periodically. Max's Franchising, Inc., which was previously an Affiliate and subsequently merged into MKI in 2015 (as noted above), acknowledged in a Memorandum of Agreement dated April 12, 2002, that we have the unlimited right to use all intellectual property, including the System and the Confidential Operations Manual, in the U.S., free of any form of payment.

We also offer qualified franchisees ("**Developers**") the right to develop and operate multiple Franchised Restaurants within a protected territory ("**Designated Territory**") under the terms of the Area Development Agreement ("**Area Development Agreement**"), attached to this Disclosure Document as **Exhibit D**. If you sign an Area Development Agreement, you will sign our then-current form of Franchise Agreement for each Franchised Restaurant you agree to develop under your Area Development Agreement according to the dates specified on the development schedule ("**Development Schedule**"). As a result, you may be required to sign a form of Franchise Agreement that is different from the form of Franchise Agreement included in this Disclosure Document. The minimum number of Franchised Restaurants to be opened under an Area Development Agreement is two, and only Flagship Format and Fast Casual Format Franchised Restaurants are available under an Area Development Agreement.

The Market and Competition

The Franchised Restaurant targets its products and services to the general buying public and consumers, focusing especially on the Filipino and Asian markets. It is a full-service,

casual, family-oriented restaurant (catering is not part of the System). The Franchised Restaurant will compete with other local restaurants, as well as local, regional, or national restaurant chains.

Regulations

Your Franchised Restaurant will be subject to various federal, state, and local health and sanitation laws that apply to restaurant operations. For example, the United States Department of Agriculture and the Food and Drug Administration regulate the manufacture, labeling and distribution of food products. State regulations may govern the storage, handling and serving of food. Many local or state jurisdictions require food service permits for those preparing, handling and serving food to the public. You and your employees may be required to pass a test or other certification process to obtain such a permit. There may also be local ordinances and regulations governing food storage, preparation and serving. Your Franchised Restaurant is also likely subject to local food and health inspection laws. Health laws are intended in part to reduce food borne illnesses and may cover such issues as: requiring employees to take a test and obtain a license as a food service worker, having accessible sinks, bathrooms for certain size establishments, inspections for cleanliness and compliance, equipment cleaning, storage and packaging, size of facilities, allowed foods, refrigeration, etc.

In addition, your business will be subject to various employment regulations that apply to restaurant operations, such as wage rates, mandated employee benefits, employment taxes, tip reporting, worker safety, unemployment compensation, workers' compensation, teenage labor practices, disabled employees and discrimination in employment practices. Environmental regulations will impact your restaurant operations, particularly in the area of sewer discharge. You will be subject to the Americans with Disabilities Act, which prohibits practices that discriminate against physically and mentally challenged individuals regarding access to public accommodations and employment opportunities. You must report and pay various sales, excise, property, income, use and inventory taxes.

You must obtain various licenses and permits at the federal, state, and local level in order to conduct business including, but not limited to, those related to food preparation. For example, you are required to obtain a liquor license; however, we reserve the right to waive this requirement. The failure to maintain the proper licensing is a material breach of the Franchise Agreement.

ITEM 2
BUSINESS EXPERIENCE

Managing Director: William E. Rodgers

Mr. Rodgers is our Managing Director and has served in this role since our inception in August 2000. He also currently serves as the Chairman of Max's Franchising, Inc., our Affiliate in the Philippines, and has served in that role since 1999. He is a Director of AdCircles, Inc., our affiliate in the Philippines, and has served in that role since 1998. He is a Director of our Affiliate, YCI, and has served in that role since February 2014. He is a Director of our parent, MGI, and has served in that role since February 2014. Mr. Rodgers is also the President of M

Food Concepts, which became our parent in November 2016, and has served in that role since October 2015.

Director of Franchise Operations: Mr. Robert F. Trota

Mr. Trota is our Director of Franchise Operations and has served in this role since our inception in August 2000. Mr. Trota partly owns and operates Affiliate-owned "MAX'S RESTAURANT™" units in the Philippines through his role as a director in multiple Philippines-based entities that are our Affiliates. Since April 2002, he has also served as President of Max's of Manila, Inc., which owns and operates the Affiliate-owned MAX'S OF MANILA® restaurant in Glendale, California. He is a Director of our Affiliate, YCI, and has served in that role since February 2014. He is also a Director of our Affiliate, YCFC, and has served in that role since February 2014. Mr. Trota is also the President and CEO of our parent, MGI, and has served in that role since February 2014. Mr. Trota has been the Chairman of the Philippine Franchise Association since June 2009, and served as President from 2005 to 2009.

Director of Training: Ms. Sharon T. Fuentebella

Ms. Fuentebella is our Director of Training and has served in this role since our inception in August 2000. As a director of Rubylin, Inc., she partly owns and operates the "MAX'S OF THE PHILIPPINES RESTAURANT™" in South San Francisco, California.

Director of Finance: Ms. Cristina T. Garcia

Ms. Garcia is our Director of Finance and has served in this role since our inception in August 2000. Since April 2009, she has also served as the President of Max's Ermita, Inc., one of our Affiliates in the Philippines.

Director of Marketing and Development: Mr. Jim T. Fuentebella

Mr. Fuentebella is our Director of Marketing and Development and has served in this role since our inception in August 2000.

Operations & Marketing Director for North America: Ms. Catherine Ferrer

Ms. Ferrer is our Operations & Marketing Director for North America and has served in this role since January 2023. She previously was our Operations Services Manager from June 2016 to December 2022, our Area Manager from September 2015 to May 2016, and our Kitchen Operations Specialist from March 2012 to August 2015.

Regional Business Head for North America: Maria Lana P. Marcaida

Ms. Marcaida is our Regional Business Head for North America and has served in this role since January 2025. She was previously our Senior Business Head for North America from January 2023 to December 2024, and our Operations Director for North America from June 2016 to December 2022.

Marketing Manager for North America: Care Patrickeiff Pantojan

Mr. Pantojan is our Marketing Manager and has served in this role since March 2021. He also holds a Marketing/Sales position for MADE by Care of Las Vegas, Nevada, a position he has held since February 2016. He was a Graphic Designer for Color Reflections, which is located in Las Vegas, Nevada, from October 2015 to February 2021.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

If you sign a Franchise Agreement for a Flagship Format Franchised Restaurant, you must pay us an initial franchise fee ("**Initial Franchise Fee**") of $50,000 for the rights to operate one Flagship Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®. You must pay us $25,000 of the Initial Franchise Fee upon signing the Franchise Agreement and the remaining $25,000 of the Initial Franchise Fee 10 days prior to opening the Franchised Restaurant.

If you already have a Flagship Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® in operation or under development and you sign a Franchise Agreement for a Fast Casual Format Franchised Restaurant, you must pay us an Initial Franchise Fee of $50,000 for the right to operate one Fast Casual Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®. You must pay us $25,000 of the Initial Franchise Fee upon signing the Franchise Agreement and the remaining $25,000 of the Initial Franchise Fee 10 days prior to opening the Franchised Restaurant.

If you already have a Flagship Format or Fast Casual Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® in operation and you sign a Franchise Agreement for a TO GO Format Franchised Restaurant, you must pay us an Initial Franchise Fee of $15,000 for the right to operate one TO GO Format MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®. You must pay us $7,500 of the Initial Franchise Fee upon signing the Franchise Agreement and the remaining $7,500 of the Initial Franchise Fee 10 days prior to opening the Franchised Restaurant.

In all three cases, each portion of the Initial Franchise Fee is fully earned upon receipt by us and is non-refundable under any circumstances. The Initial Franchise Fee is imposed uniformly on all franchisees. During the 2025 fiscal year, we collected Initial Franchise Fees ranging from

$7,000 to $25,000 in connection with the signing of a Franchise Agreement or the opening of a MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant; the amounts collected varied based on the terms of the corresponding Franchise Agreement and the Franchised Restaurant format selected by the franchisee.

Area Development Fee

If you sign an Area Development Agreement to develop two or more Franchised Restaurants in the Designated Territory in accordance with the Development Schedule included in **Exhibit B** of that Agreement, you must pay an area development fee ("**Area Development Fee**") of $100,000, regardless as to whether they are Flagship Format Franchised Restaurants or Fast Casual Format Franchised Restaurants (TO GO Format Franchised Restaurants are not available under an Area Development Agreement). You must also pay us the Initial Franchise Fee of $50,000 for each Flagship Format Franchised Restaurant you commit to develop, plus $50,000 for each Fast Casual Format Franchised Restaurant you commit to develop, as required by the applicable Franchise Agreement corresponding to each Franchised Restaurant.

The number and formats of Franchised Restaurants that you may develop under a particular Area Development Agreement is determined by mutual agreement. You must pay us the entire Area Development Fee upon signing the Area Development Agreement. It is fully earned at the time you make the payment to us and is not refundable regardless of whether you ultimately open any or all of your Franchised Restaurants. No portion of the Area Development Fee is credited against the Initial Franchise Fee you must also pay to us under the corresponding Franchise Agreement for each Franchised Restaurant you commit to develop. The Area Development Fee may not be uniform for all franchisees due to the variable nature of negotiation including the size of the Designated Territory to be developed, the number of Franchised Restaurants to be opened, demographic data and trends and other conditions, and we reserve the right to charge different Area Development Fees in our sole discretion. We calculate the Area Development Fee uniformly for all franchisees, but the total amount you pay will depend on the number of Franchised Restaurants you commit to develop. You will be required to sign our then current form of Franchise Agreement for each Franchised Restaurant you agree to develop. During the 2025 fiscal year, we did not collect any Area Development Fees.

Other Initial Fees

If you cannot find an acceptable site for your Franchised Restaurant within 6 months from the date of the Franchise Agreement and the Franchise Agreement is terminated, you must pay us for actual expenses incurred plus our then-current per diem rate as published in the Manual ($500 as of this writing) for assisting you in selecting a site. These fees are nonrefundable. If you are unable to complete the training required by us, and the Franchise Agreement is cancelled, you must pay us for actual expenses incurred plus our then-current per diem fee as published in the Manual ($500 as of this writing) for you and your team trained. These fees are nonrefundable. These fees are in addition to the nonrefundable Initial Franchise Fee and Area Development Fees you have paid.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee	5% of Net Sales.[2]	Payable on the 10th day of each month or as determined by us	Payable via electronic funds transfer ("**EFT**") withdrawal. A signed statement, on a form approved by us, of your Net Sales for the preceding month must accompany your payment.
Local and Cooperative Advertising	You are required to spend at least 1% of Net Sales on local advertising and promotion expenditures. If we establish and require you to participate in a cooperative advertising program, you may have to contribute up to 1.5% of Net Sales to the Cooperative.	Local advertising and promotion expenditures as incurred.	Local advertising and promotion expenditures will be made directly by you. Because we do not currently have a cooperative advertising program at this time, the anticipated voting power of franchisor-owned outlets on any fees imposed by a Cooperative is not yet known; however, the maximum fee imposed by a Cooperative would be 1.5% of Net Sales.
Advertising Fund	.75% of Net Sales.	Payable at the same time, in the same manner as, and in addition to, the Royalty Fee.	Payable via EFT withdrawal. We will give you 30 days' notice before requiring your initial contribution to the Advertising Fund.
Insurance Policies[3]	$12,000 to $26,000.	Must obtain the policies within 30 days after signing the Franchise Agreement, but before you acquire an interest in the real property on which you will operate the Franchised Restaurant.	Payable to insurance carriers. Payable to us if you fail to procure the required insurance coverage. Minimum amounts required.

Type of Fee[1]	Amount	Due Date	Remarks
Additional Store Manager Training	$500 per trainer per day, plus expenses.	Time of training.	If you designate a new or additional Store Manager after the initial training program, you will pay for all costs your Store Manager incurs in attending the training program.
Additional Assistance	$500 per trainer per day, plus expenses.	Time of assistance.	Additional assistance is at your cost.
Continuing Education	Expenses for you and your employees to attend these programs.	Time of program(s).	Continuing education is at your cost. Attendance will not be required more than 2 times per year and will not last more than 2 days each time.
Late Fees	Maximum allowable by law or, if no limit, then 2% per month.	After due date.	Applies to Royalty Fee and Advertising Fund payments and any other amounts due to us.
Audit	Cost of audit plus maximum allowable by law or, if no limit, 2% per month on underpayment of any amount due to us.	When discrepancy is discovered.	
Relocation	All costs incurred by you plus all reasonable costs incurred by us, not to exceed $10,000.	Upon relocation.	Relocation of your Franchised Restaurant is at your cost. Additionally, we have the right to charge you for any and all reasonable costs that we incur in respect of and in considering whether to approve your relocation, not to exceed $10,000.

Type of Fee[1]	Amount	Due Date	Remarks
Transfer Fee	50% of the then-current Initial Franchise Fee for the Franchise Agreement and $10,000 for Area Development Agreement.	After our approval of the transferee and before the transfer occurs.	This transfer fee does not apply to an assignment of interest to a corporation or limited liability company (Section 18.4(a) and 18.4(c), Franchise Agreement).
Brokerage Fee	Up to 10% of the sales price, including the market value of any in-kind consideration.	Upon receipt of consideration by you.	We have the option to broker the sale of your business if you propose to sell it.
Indemnification	All costs including attorneys' fees.	Upon settlement or conclusion of claim or action.	You must defend suits at your own cost and hold us harmless against suits involving damages resulting from your operation of the Franchised Restaurant.
Cost of Enforcement or Defense	All costs, including reasonable accounting and legal fees.	Upon settlement or conclusion of claim or action.	You must reimburse us for all costs we incur in enforcing our obligations under the Franchise Agreement if we prevail.
Guarantee	Varies.	Upon breach of the Franchise Agreement.	You must personally guarantee and comply with all terms of the Franchise Agreement and will be liable for any breach of the Franchise Agreement.
Successor Franchise Fee	$7,500.	Upon execution of a Successor Franchise Agreement.	If you sign a Successor Franchise Agreement, you will pay the Successor Franchise Fee.

Notes:

(1) Type of Fee. All fees are uniformly imposed by and are payable to us, unless otherwise noted. Any interest owed begins to accrue from the date of underpayment. No other fees or payments are to be paid to us, nor do we impose or collect any other fees or payments for any third party. Any fees paid to us are nonrefundable unless otherwise noted. In some instances, we have a contractual right to increase a fee and, when determining increases to such fees, we will take into account the impact of inflation on our costs to deliver products and/or services, various corporate

strategies relating to advertising and marketing, our analysis of market forces, and any contractual cap we have imposed on ourselves with respect to such fee.

(2) Net Sales. The term "**Net Sales**" means and includes the sum ("**Sum**") of all revenues and income from the sale of all Menu Items, Proprietary Products, Trademarked Products, other food products, suppliers' rebates, entertainment for which a cover charge is made, beverages, other related merchandise, products and services to customers of Franchisee, or any other source, whether or not sold or performed at the Franchised Restaurant and whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received therefore) or otherwise. There shall be deducted from the Sum for purposes of said computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged and if such taxes are paid to the appropriate taxing authority. There shall be further deducted from the Sum the amount of any documented refunds, chargebacks, credits and allowances given in good faith to customers by you. All barter and/or exchange transactions through which you furnish services and/or products in exchange for goods or services to be provided to you by a vendor, supplier or customer shall be valued at the full retail value of the goods and/or services so provided to you. Net Sales shall equal the Sum less the above- mentioned deductions.

(3) Insurance Policies. As outlined in Section 14 of the Franchise Agreement, you must procure and keep in force insurance policies in such amounts and on such terms, as prescribed by us in the Manual, by an insurance company acceptable to us at all times during the term of the Franchise Agreement. You must obtain such policies within 30 days after signing the Franchise Agreement. Insurance coverage must include general liability, combined single limit, bodily injury and property damage insurance for premises operations, products liability and all other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than such amount outlined in the Manual and adjusted by us periodically in our sole discretion. As of the date of this Disclosure Document, we require you to obtain at least $2 million in general liability coverage, $1 million for property coverage, and $5 million for umbrella coverage. Your failure to obtain insurance constitutes a material breach of the Franchise Agreement entitling us to terminate the Franchise Agreement or exercise any or a combination of the other default remedies provided in Section 16 of the Franchise Agreement. You shall also procure and pay for all other insurance required by state or federal law, including, without limitation, workers' compensation and unemployment insurance.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR A SINGLE NEW OUTLET – FLAGSHIP FORMAT

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$50,000	Lump Sum	You must pay $25,000 upon signing the Franchise Agreement and the remaining $25,000 no later than 10 days prior to opening the Franchised Restaurant	Us
Initial Rent Deposit[3]	$6,000 - $27,000	As Arranged	Upon Signing Lease	Landlord
Utility Deposits[4]	$2,000 - $5,000	As Arranged	As Arranged	Utility Companies
Leasehold Improvements and Fixtures[5]	$300,000 - $1,200,000	As Arranged	As Arranged	Landlord and/or Approved Suppliers
Initial Inventory[6]	$20,000 - $35,000	As Arranged	As Arranged	Us, Approved Suppliers, or Designated Suppliers
Insurance[7]	$12,000 - $26,000	As Arranged	As Arranged	Insurance Carrier
Training Expenses[8]	$15,000 - $25,000	As Arranged	As Incurred	Transportation Lines, Hotels, and Restaurants
Grand Opening Advertising[9]	$5,000 - $10,000	As Arranged	As Incurred	Vendors and other Suppliers as established by us in the Manual
Office Equipment and Supplies[10]	$4,000 - $7,000	As Arranged	As Arranged	Approved Suppliers
Kitchen Equipment and Supplies[11]	$250,000 - $350,000	As Arranged	As Arranged	Approved Suppliers
Legal and Accounting Fees	$5,000	As Arranged	As Arranged	
Licenses and Permits[12]	$15,000 - $30,000	As Arranged	As Arranged	Local and/or State Government Agency
POS System[13]	$15,000 - $30,000	As Arranged	As Arranged	Approved Suppliers
Additional Funds[14]	$30,000 - $40,000	As Incurred	As Incurred in First 3 Months	
TOTAL[15]	**$729,000 - $1,840,000**			

Notes:

(1) Type of Expenditure. Unless otherwise noted, all amounts that you pay to us or our Affiliates are nonrefundable. Third party suppliers will decide if payments to them are refundable. We do not offer, either directly or indirectly, financing to you for any items.

(2) Initial Franchise Fee. Each portion of the Initial Franchise Fee is fully earned upon receipt by us and is non-refundable under any circumstances.

(3) Initial Rent Deposit. You will typically be required to pay 1 to 2 month's rent as a security deposit. The low end represents the lease rate of $3.00 per month per square foot for a 3,000 square foot space for one month. The high end of the initial investment represents a lease rate of $4.50 per month per square foot for a space of more than 3,000 square feet for two months. We assume that even a free-standing building may be rented, possibly on a build-to-suit basis.

(4) Utility Deposits. A utility deposit will typically be required only if you are a new customer of the utility company.

(5) Leasehold Improvements and Fixtures. The low end of the range in the initial outlay assumes that the landlord provides a partial build-out allowance. The estimate includes fixtures and signage. Cost of acquiring real estate is included as a rent deposit.

(6) Initial Inventory. The initial inventory includes display items.

(7) Insurance. A 20% down payment of the annual premium for general business insurance and workers' compensation insurance is included in the low-end estimate, and the expense of the full annual premium is included in the high estimate.

(8) Training Expenses. The low figure estimate assumes that you and your core team (Managing Director, Store Manager, Production Chef, Line Cook, and Shift Leader) are commuting daily to the initial training program in Las Vegas, Nevada, or another location that we designate. The high figure estimate is based on the expenses of at least four individuals requiring air travel, food, lodging, and the salary for your Store Manager who attends the initial training program in Las Vegas, Nevada or another location that we designate.

(9) Grand Opening Advertising. Expected grand opening advertising ranges from $5,000 - $10,000.

(10) Office Equipment and Supplies. Both the low end and the high end numbers represent a straight purchase of all supplies and equipment. This includes but is not limited to telephone, copiers, fax, computers, and software.

(11) Kitchen Equipment and Supplies. This is the approximate cost of setting up a full production kitchen.

(12) Licenses and Permits. The range of costs represents any fees or payments for required licenses or permits. We require you to obtain a liquor license for your Franchised Restaurant prior to you operating your Franchised Restaurant; however, we reserve the right to waive this requirement. It is solely your responsibility to obtain and maintain a liquor license for your Franchised Restaurant. The cost of a liquor license can be significantly higher in certain states where the number of licenses is severely restricted or available only from an existing license holder. You should retain legal counsel specialized in obtaining and maintaining liquor licenses. You should also carefully

investigate the costs of obtaining a liquor license where you wish to establish your Franchised Restaurant.

(13) POS System. Establishing the POS System requires computer hardware, software, and setup fees. The low end number represents the initial expense for leasing the POS System, including the cost of services to maintain it. The high end number represents the expense of purchasing the POS System and includes the cost of maintaining the POS System for one year. The cost also depends on the number of printers needed plus the recurring console enterprise cost.

(14) Additional Funds. The low end number represents estimated expenses to maintain minimal operations without any sales for three months. The high end number represents the estimated maximum working capital requirement. We have used our Managing Director's more than 14 years of experience in the business to compile these estimates.

(15) Total. The above is an estimate of your initial startup expenses. These figures are estimates.

YOUR ESTIMATED INITIAL INVESTMENT
FOR A SINGLE NEW OUTLET – FAST CASUAL FORMAT

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$50,000	Lump Sum	You must pay $25,000 upon signing the Franchise Agreement and the remaining $25,000 no later than 10 days prior to opening the Franchised Restaurant	Us
Initial Rent Deposit[3]	$6,000 - $8,000	As Arranged	Upon Signing Lease	Landlord
Utility Deposits[4]	$2,000 - $4,000	As Arranged	As Arranged	Utility Companies
Leasehold Improvements and Fixtures[5]	$350,000 - $600,000	As Arranged	As Arranged	Landlord and/or Approved Suppliers
Initial Inventory[6]	$15,000 - $30,000	As Arranged	As Arranged	Us, Approved Suppliers, or Designated Suppliers
Insurance[7]	$12,000 - $26,000	As Arranged	As Arranged	Insurance Carrier
Training Expenses[8]	$20,000 - $30,000	As Arranged	As Incurred	Transportation Lines, Hotels, and Restaurants

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Grand Opening Advertising[9]	$5,000 - $10,000	As Arranged	As Incurred	Vendors and other Suppliers as established by us in the Manual
Office Equipment and Supplies[10]	$4,000 - $7,000	As Arranged	As Arranged	Approved Suppliers
Kitchen Equipment and Supplies[11]	$180,000 - $250,000	As Arranged	As Arranged	Approved Suppliers
Legal and Accounting Fees	$5,000	As Arranged	As Arranged	
Licenses and Permits[12]	$ 3,200 - $4,000	As Arranged	As Arranged	Local and/or State Government Agency
POS System[13]	$ 15,000 - $20,000	As Arranged	As Arranged	Approved Suppliers
Additional Funds[14]	$ 25,000 - $40,000	As Incurred	As Incurred in First 3 Months	
TOTAL[15]	**$692,200 - $1,084,000**			

Notes:

(1) Type of Expenditure. Unless otherwise noted, all amounts that you pay to us or our Affiliates are nonrefundable. Third party suppliers will decide if payments to them are refundable. We do not offer, either directly or indirectly, financing to you for any items.

(2) Initial Franchise Fee. Each portion of the Initial Franchise Fee is fully earned upon receipt by us and is non-refundable under any circumstances.

(3) Initial Rent Deposit. You will typically be required to pay one month's rent as a security deposit. The low end represents a lease rate of $3.00 per month per square foot for a space of less than 3,000 square feet for one month. The high end of the initial investment represents a lease rate of $4.50 per month per square foot for a space of less than 3,000 square foot space for one month.

(4) Utility Deposits. A utility deposit will typically be required only if you are a new customer of the utility company.

(5) Leasehold Improvements and Fixtures. This estimate is based on a build-out budget of $90 per square foot for a space of less than 3,000 square feet and includes the cost of signage. This estimate falls outside of the tenant improvement allowance which is typically provided by a commercial landlord.

(6) Initial Inventory. The initial inventory includes display items.

(7) Insurance. A 20% down payment of the annual premium for general business insurance and workers' compensation insurance is included in the low-end estimate, and the expense of the full annual premium is included in the high estimate.

(8) Training Expenses. The low figure estimate assumes that you and your core team (Managing Director, Store Manager, Production Chef, Line Cook, and Shift Leader) are commuting daily to the initial training program in Las Vegas, Nevada, or another location that we designate. The high figure estimate is based on the expenses of at least four individuals requiring air travel, food, lodging, and the salary for your Store Manager who attends the initial training program in Las Vegas, Nevada or another location that we designate.

(9) Grand Opening Advertising. Expected grand opening advertising ranges from $5,000 - $10,000.

(10) Office Equipment and Supplies. Both the low end and the high end numbers represent a straight purchase of all supplies and equipment. This includes but is not limited to telephone, copiers, fax, computers, and software.

(11) Kitchen Equipment and Supplies. This is the approximate cost of setting up a full production kitchen.

(12) Licenses and Permits. The range of costs represents any fees or payments for required licenses or permits. We require you to obtain a liquor license for your Franchised Restaurant prior to you operating your Franchised Restaurant; however, we reserve the right to waive this requirement. It is solely your responsibility to obtain and maintain a liquor license for your Franchised Restaurant. The cost of a liquor license can be significantly higher in certain states where the number of licenses is severely restricted or available only from an existing license holder. You should retain legal counsel specialized in obtaining and maintaining liquor licenses. You should also carefully investigate the costs of obtaining a liquor license where you wish to establish your Franchised Restaurant.

(13) POS System. Establishing the POS System requires computer hardware, software, and setup fees. The low end number represents the initial expense for leasing the POS System, including the cost of services to maintain it. The high end number represents the expense of purchasing the POS System and includes the cost of maintaining the POS System for one year. The cost also depends on the number of printers needed plus the recurring console enterprise cost.

(14) Additional Funds. The low end number represents estimated expenses to maintain minimal operations without any sales for three months. The high end number represents the estimated maximum working capital requirement. We have used our Managing Director's more than 14 years of experience in the business to compile these estimates.

(15) Total. The above is an estimate of your initial startup expenses for our Fast Casual Format, and it is important that you understand that this format continues to be developed with various changes. These figures are estimates based on our best information to date.

YOUR ESTIMATED INITIAL INVESTMENT
FOR A SINGLE NEW OUTLET – TO GO FORMAT

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$15,000	Lump Sum	You must pay $7,500 upon signing the Franchise Agreement and the remaining $7,500 no later than 10 days prior to opening the Franchised Restaurant	Us
Initial Rent Deposit[3]	$3,000 - $6,000	As Arranged	Upon Signing Lease	Landlord
Utility Deposits[4]	$1,000 - $2,000	As Arranged	As Arranged	Utility Companies
Leasehold Improvements and Fixtures[5]	$25,000 - $30,000	As Arranged	As Arranged	Landlord and/or Approved Suppliers
Initial Inventory[6]	$5,000 - $6,000	As Arranged	As Arranged	Us, Approved Suppliers, or Designated Suppliers
Insurance[7]	$1,500 - $2,000	As Arranged	As Arranged	Insurance Carrier
Training Expenses[8]	$3,000 - $8,000	As Arranged	As Incurred	
Grand Opening Advertising[9]	$1,000 - $1,500	As Arranged	As Incurred	Vendors and other Suppliers as established by us in the Manual
Office Equipment and Supplies[10]	$7,000 - $8,000	As Arranged	As Arranged	Approved Suppliers
Kitchen Equipment and Supplies[11]	$102,000 - $110,000	As Arranged	As Arranged	Approved Suppliers
Legal and Accounting Fees	$1,000 - $2,000	As Arranged	As Arranged	
Licenses and Permits[12]	$1,000 - $1,500	As Arranged	As Arranged	Local and/or State Government Agency
POS System[13]	$3,400 - $4,000	As Arranged	As Arranged	Approved Suppliers
Additional Funds[14]	$5,000 - $10,000	As Incurred	As Incurred in First 3 Months	
TOTAL[15]	**$173,900 - $206,000**			

Notes:

(1) Type of Expenditure. Unless otherwise noted, all amounts that you pay to us or our Affiliates are nonrefundable. Third party suppliers will decide if payments to them are refundable. We do not offer, either directly or indirectly, financing to you for any items.

(2) Initial Franchise Fee. Each portion of the Initial Franchise Fee is fully earned upon receipt by us and is non-refundable under any circumstances.

(3) Initial Rent Deposit. You will typically be required to pay one month's rent as a security deposit. The low end represents an estimated lease rate for a space of approximately 350 square feet. The high end of the initial investment represents an estimated lease rate for a space of approximately 450 square feet.

(4) Utility Deposits. A utility deposit will typically be required only if you are a new customer of the utility company.

(5) Leasehold Improvements and Fixtures. This estimate is based on a build-out budget for a space that is approximately 350 to 450 square feet and includes the cost of signage. This estimate falls outside of the tenant improvement allowance which might be provided by a commercial landlord.

(6) Initial Inventory. The initial inventory includes display items.

(7) Insurance. A 20% down payment of the annual premium for general business insurance and workers' compensation insurance is included in the low-end estimate, and the expense of the full annual premium is included in the high estimate.

(8) Training Expenses. These estimated figures account for you and your core team (including your Store Manager, line cook, production chef, and shift leader) commuting to your existing Flagship Format or Fast Casual Format Franchised Restaurant to attend the training provided by us. As a result, most of these estimated figures involve the salaries of your employees who attend the training.

(9) Grand Opening Advertising. Expected grand opening advertising ranges from $1,000 - $1,500.

(10) Office Equipment and Supplies. Both the low end and the high end numbers represent a straight purchase of all supplies and equipment. This includes but is not limited to telephone, laptop computer, software, and office supplies.

(11) Kitchen Equipment and Supplies. This is the approximate cost of kitchen equipment and supplies associated with a limited menu including, but not limited to, a braising pan, deep fryer, counter chillers, counter freezer, electric rice cooker, four-burner gas range and burner, bun steamer, stainless steel work table, kitchen counter tops, and other supplies.

(12) Licenses and Permits. The range of costs represents any fees or payments for required licenses or permits. Because the typical location for a TO GO Format will not allow for the sale of liquor, you are not required to obtain a liquor license for this Format.

(13) POS System. Establishing the POS System requires computer hardware, software, and setup fees. The low end number represents the initial expense for leasing the POS System, including the cost of services to maintain it. The high end number represents the expense of purchasing the

POS System and includes the cost of maintaining the POS System for one year. The cost also depends on the number of printers needed plus the recurring console enterprise cost.

(14) Additional Funds. The low end number represents estimated expenses to maintain minimal operations without any sales for three months. The high end number represents the estimated maximum working capital requirement. These amounts take into consideration that you will likely utilize equipment, supplies, and other items from your already-operating Flagship Format or Fast Casual Format Franchised Restaurant. We have used our Managing Director's more than 14 years of experience in the business to compile these estimates and our Affiliate's experience with operating restaurants utilizing the TO GO Format.

(15) Total. The above is an estimate of your initial startup expenses for our new TO GO Format, and it is important that you understand that this format continues to be developed with various changes. These figures are estimates based on our best information to date.

YOUR ESTIMATED INITIAL INVESTMENT
FOR YOUR FIRST RESTAURANT
UNDER THE AREA DEVELOPMENT AGREEMENT
FLAGSHIP FORMAT

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Area Development Fee[2]	$100,000	Lump Sum	You must pay us the entire Area Development Fee of $100,000 regardless as to the number of units you intend to open upon signing the Area Development Agreement	Us
Initial Franchise Fee[2]	$50,000	Lump Sum	You must pay $25,000 upon signing the Franchise Agreement and the remaining $25,000 no later than 10 days prior to opening the Franchised Restaurant	Us
Initial Rent Deposit[3]	$6,000 - $27,000	As Arranged	Upon Signing Lease	Landlord
Utility Deposits[4]	$2,000 - $5,000	As Arranged	As Arranged	Utility Companies
Leasehold Improvements and Fixtures[5]	$800,000 - $1,300,000	As Arranged	As Arranged	Landlord and/or Approved Suppliers
Initial Inventory[6]	$20,000 - $35,000	As Arranged	As Arranged	Us, Approved Suppliers, or Designated Suppliers
Insurance[7]	$12,000 - $26,000	As Arranged	As Arranged	Insurance Carrier

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Training Expenses[8]	$20,000 - $30,000	As Arranged	As Incurred	Transportation Lines, Hotels, and Restaurants
Grand Opening Advertising[9]	$5,000 - $10,000	As Arranged	As Incurred	Vendors and other Suppliers as established by us in the Manual
Office Equipment and Supplies[10]	$4,000 - $7,000	As Arranged	As Arranged	Approved Suppliers
Kitchen Equipment and Supplies[11]	$250,000 - $350,000	As Arranged	As Arranged	Approved Suppliers
Legal and Accounting Fees	$5,000 - $7,000	As Arranged	As Arranged	
Licenses and Permits[12]	$ 8,000 - $10,000	As Arranged	As Arranged	Local and/or State Government Agency
POS System[13]	$ 15,000 - $30,000	As Arranged	As Arranged	Approved Suppliers
Additional Funds[14]	$ 30,000 - $40,000	As Incurred	As Incurred in First 3 Months	
TOTAL[15]	**$1,327,000 - $2,027,000**			

Notes:

(1) Type of Expenditure. Unless otherwise noted, all amounts that you pay to us or our Affiliates are nonrefundable. Third party suppliers will decide if payments to them are refundable. We do not offer, either directly or indirectly, financing to you for any items.

(2) Area Development Fee; Initial Franchise Fee. If you enter into an Area Development Agreement with us to develop more than one Franchised Restaurant, you will incur the estimated initial expenditures for each franchise you operate in addition to paying an upfront Area Development Fee of $100,000. You will also pay an Initial Franchise Fee of $50,000 for each Franchised Restaurant you develop. The Area Development Fee and Initial Franchise Fee are fully earned at the time you make the respective payments to us and are not refundable regardless of whether you ultimately open any or all of your Franchised Restaurants. No portion of the Area Development Fee is credited against the Initial Franchise Fee.

(3) Initial Rent Deposit. You will typically be required to pay 1 to 2 month's rent as a security deposit. The low end represents the lease rate of $3.00 per month per square foot for a 3,000 square foot space for one month. The high end of the initial investment represents a lease rate of $4.50 per month per square foot for a space of more than 3,000 square feet for two months. We assume that even a free-standing building may be rented, possibly on a build-to-suit basis.

(4) Utility Deposits. A utility deposit will typically be required only if you are a new customer of the utility company.

(5) Leasehold Improvements and Fixtures. The low end of the range in the initial outlay assumes that the landlord provides a partial build-out allowance. The estimate includes fixtures and signage. Cost of acquiring real estate is included as a rent deposit.

(6) Initial Inventory. The initial inventory includes display items.

(7) Insurance. A 20% down payment of the annual premium for general business insurance and workers' compensation insurance is included in the low-end estimate, and the expense of the full annual premium is included in the high estimate.

(8) Training Expenses. The low figure estimate assumes that you and your core team (Managing Director, Store Manager, Production Chef, Line Cook, and Shift Leader) are commuting daily to the initial training program in Las Vegas, Nevada, or another location that we designate. The high figure estimate is based on the expenses of at least four individuals requiring air travel, food, lodging, and the salary for your Store Manager who attends the initial training program in Las Vegas, Nevada or another location that we designate.

(9) Grand Opening Advertising. Expected grand opening advertising ranges from $5,000 - $10,000.

(10) Office Equipment and Supplies. Both the low end and the high end numbers represent a straight purchase of all supplies and equipment. This includes but is not limited to telephone, copiers, fax, computers, and software.

(11) Kitchen Equipment and Supplies. This is the approximate cost of setting up a full production kitchen.

(12) Licenses and Permits. The range of costs represents any fees or payments for required licenses or permits. We require you to obtain a liquor license for your Franchised Restaurant prior to you operating your Franchised Restaurant; however, we reserve the right to waive this requirement. It is solely your responsibility to obtain and maintain a liquor license for your Franchised Restaurant. The cost of a liquor license can be significantly higher in certain states where the number of licenses is severely restricted or available only from an existing license holder. You should retain legal counsel specialized in obtaining and maintaining liquor licenses. You should also carefully investigate the costs of obtaining a liquor license where you wish to establish your Franchised Restaurant.

(13) POS System. Establishing the POS System requires computer hardware, software, and setup fees. The low end number represents the initial expense for leasing the POS System, including the cost of services to maintain it. The high end number represents the expense of purchasing the POS System and includes the cost of maintaining the POS System for one year. The cost also depends on the number of printers needed plus the recurring console enterprise cost.

(14) Additional Funds. The low end number represents estimated expenses to maintain minimal operations without any sales for three months. The high end number represents the estimated maximum working capital requirement. We have used our Managing Director's more than 14 years of experience in the business to compile these estimates.

(15) Total. The above is an estimate of your initial startup expenses. These figures are estimates.

YOUR ESTIMATED INITIAL INVESTMENT
FOR YOUR FIRST RESTAURANT
UNDER THE AREA DEVELOPMENT AGREEMENT
FAST CASUAL FORMAT

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Area Development Fee[2]	$100,000	Lump Sum	You must pay us the entire Area Development Fee of $100,000 regardless as to the number of units you intend to open upon signing the Area Development Agreement	Us
Initial Franchise Fee[2]	$50,000	Lump Sum	You must pay $25,000 upon signing the Franchise Agreement and the remaining $25,000 no later than 10 days prior to opening the Franchised Restaurant	Us
Initial Rent Deposit[3]	$6,000 - $8,000	As Arranged	Upon Signing Lease	Landlord
Utility Deposits[4]	$2,000 - $4,000	As Arranged	As Arranged	Utility Companies
Leasehold Improvements and Fixtures[5]	$350,000 - $600,000	As Arranged	As Arranged	Landlord and/or Approved Suppliers
Initial Inventory[6]	$15,000 - $30,000	As Arranged	As Arranged	Us, Approved Suppliers, or Designated Suppliers
Insurance[7]	$12,000 - $26,000	As Arranged	As Arranged	Insurance Carrier
Training Expenses[8]	$20,000 - $30,000	As Arranged	As Incurred	Transportation Lines, Hotels, and Restaurants
Grand Opening Advertising[9]	$5,000 - $10,000	As Arranged	As Incurred	Vendors and other Suppliers as established by us in the Manual
Office Equipment and Supplies[10]	$4,000 - $7,000	As Arranged	As Arranged	Approved Suppliers
Kitchen Equipment and Supplies[11]	$180,000 - $250,000	As Arranged	As Arranged	Approved Suppliers
Legal and Accounting Fees	$5,000	As Arranged	As Arranged	
Licenses and Permits[12]	$3,200 - $4,000	As Arranged	As Arranged	Local and/or State Government Agency
POS System[13]	$15,000 - $20,000	As Arranged	As Arranged	Approved Suppliers

Type of Expenditure[1]	Amount	Method of payment	When Due	To Whom Payment is to be Made
Additional Funds[14]	$25,000 - $40,000	As Incurred	As Incurred in First 3 Months	
TOTAL[15]	**$792,200 - $1,184,000**			

Notes:

(1) Type of Expenditure. Unless otherwise noted, all amounts that you pay to us or our Affiliates are nonrefundable. Third party suppliers will decide if payments to them are refundable. We do not offer, either directly or indirectly, financing to you for any items.

(2) Area Development Fee; Initial Franchise Fee. If you enter into an Area Development Agreement with us to develop more than one Franchised Restaurant, you will incur the estimated initial expenditures for each franchise you operate in addition to paying an upfront Area Development Fee of $100,000. You will also pay an Initial Franchise Fee of $25,000 for each Franchised Restaurant you develop. The Area Development Fee and Initial Franchise Fee are fully earned at the time you make the respective payments to us and are not refundable regardless of whether you ultimately open any or all of your Franchised Restaurants. No portion of the Area Development Fee is credited against the Initial Franchise Fee.

(3) Initial Rent Deposit. You will typically be required to pay one month's rent as a security deposit. The low end represents a lease rate of $3.00 per month per square foot for a space of less than 3,000 square feet for one month. The high end of the initial investment represents a lease rate of $4.50 per month per square foot for a space of less than 3,000 square feet for one month.

(4) Utility Deposits. A utility deposit will typically be required only if you are a new customer of the utility company.

(5) Leasehold Improvements and Fixtures. This estimate is based on a build-out budget of $90 per square foot for a space of less than 3,000 square feet and includes the cost of signage. This estimate falls outside of the tenant improvement allowance which is typically provided by a commercial landlord.

(6) Initial Inventory. The initial inventory includes display items.

(7) Insurance. A 20% down payment of the annual premium for general business insurance and workers' compensation insurance is included in the low-end estimate, and the expense of the full annual premium is included in the high estimate.

(8) Training Expenses. The low figure estimate assumes that you and your core team (Managing Director, Store Manager, Production Chef, Line Cook, and Shift Leader) are commuting daily to the initial training program in Las Vegas, Nevada, or another location that we designate. The high figure estimate is based on the expenses of at least four individuals requiring air travel, food, lodging, and the salary for your Store Manager who attends the initial training program in Las Vegas, Nevada or another location that we designate.

(9) Grand Opening Advertising. Expected grand opening advertising ranges from $5,000 - $10,000.

(10) Office Equipment and Supplies. Both the low end and the high end numbers represent a straight purchase of all supplies and equipment. This includes but is not limited to telephone, copiers, fax, computers, and software.

(11) Kitchen Equipment and Supplies. This is the approximate cost of setting up a full production kitchen.

(12) Licenses and Permits. The range of costs represents any fees or payments for required licenses or permits. We require you to obtain a liquor license for your Franchised Restaurant prior to you operating your Franchised Restaurant; however, we reserve the right to waive this requirement. It is solely your responsibility to obtain and maintain a liquor license for your Franchised Restaurant. The cost of a liquor license can be significantly higher in certain states where the number of licenses is severely restricted or available only from an existing license holder. You should retain legal counsel specialized in obtaining and maintaining liquor licenses. You should also carefully investigate the costs of obtaining a liquor license where you wish to establish your Franchised Restaurant.

(13) POS System. Establishing the POS System requires computer hardware, software, and setup fees. The low end number represents the initial expense for leasing the POS System, including the cost of services to maintain it. The high end number represents the expense of purchasing the POS System and includes the cost of maintaining the POS System for one year. The cost also depends on the number of printers needed plus the recurring console enterprise cost.

(14) Additional Funds. The low end number represents estimated expenses to maintain minimal operations without any sales for three months. The high end number represents the estimated maximum working capital requirement. We have used our Managing Director's more than 14 years of experience in the business to compile these estimates.

(15) Total. The above is an estimate of your initial startup expenses for our Fast Casual Format.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Supplies and Approved Suppliers

We will give you a list, as developed, of approved inventory, products, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate the Franchised Restaurant ("**Approved Supplies List**"). We will also give you a list, as developed, of approved manufacturers, suppliers and distributors authorized for the Franchised Restaurant ("**Approved Suppliers List**"). We reserve the right to revise the Approved Supplies List and the Approved Suppliers List from time to time.

Neither we nor any of our Affiliates are an approved supplier or the only approved supplier of any product or service that you must purchase or lease for your Franchised Restaurant. At this time, neither we nor our any of our Affiliates anticipates becoming an approved supplier or only approved supplier of products and services that you purchase for your Franchised Restaurant. However, we and any of our Affiliates reserve the right to become approved suppliers or the only approved suppliers of any product or service that you must purchase or lease for your Franchised Restaurant without notice to you. Currently, none of our officers or our Affiliates owns any other

interest in an approved or only approved supplier of any product or service that you must purchase or lease for your Franchised Restaurant. That may change at any time without notice to you. During the 2025 fiscal year, we derived $1,554 in revenue from a food vendor based on purchases made by our franchisees and affiliate-owned outlets. This amount represents approximately .001% of our total gross revenue, which was $1,793.734 during the 2025 fiscal year. We do not currently anticipate receiving revenues from other service or product providers; however, we reserve the right to retain any such revenue in the future.

You must only use the approved brands and models as specified on the Approved Supplies List. You may not contract for alternate supplies or with alternate suppliers directly. If you would like to offer for sale or use any alternate product, material, or supply or purchase any alternate products from a supplier not on either one of these lists, you must notify us. You may need to submit samples and other information to us so that we can make an informed decision as to whether the product, material, supply, or supplier meets our specifications and quality standards. We apply the following general criteria in approving a proposed supplier: (1) quality of service or product; (2) price; and (3) delivery time. We may deny or revoke our approval of suppliers based upon the lack of any of the above items. Our other specifications and standards for purchasing, as described in the Manual and as modified periodically, are also used when approving or revoking approval of a proposed supply or supplier. We reserve the right to charge you or the approved supplier for our approval of supplies and/or suppliers, and the charge will not exceed the reasonable cost of the inspection and evaluation and the actual cost of the test. We generally will respond to your request within 30 days from the date the request is received. We will negotiate group rates on products, services, and supplies as we deem necessary. We negotiate purchase agreements with suppliers, including price terms, for the benefit of franchisees. There is no purchasing cooperative in existence. We do not provide any material benefits to a franchisee for purchasing certain specified products or services.

We reserve the right to collect all amounts due for your purchases from us and other amounts which you owe to us by a check drawn on a deposit account from a bank or through an Electronic Transfer Account ("**ETA**") as described in the Manual.

You must purchase all Proprietary Products through designated third party suppliers as we prescribe. During the 2025 fiscal year, we derived $253,897 in revenue from the sale of Proprietary Products to our U.S. outlets by designated third party suppliers, which represents approximately 14.2% of our total gross revenue for that period. This information was taken from our audited financial statements which are attached to this Disclosure Document as **Exhibit E**. Such revenue is generally calculated based on a percentage (approximately 8% to 9%) of the purchases made by our U.S. outlets.

We anticipate that your purchases of our Proprietary Products will constitute less than 1% of all your product purchases for a year. We anticipate that, in total, the items that you must purchase from us or designated or approved suppliers will constitute approximately 5% of the products, supplies, fixtures, equipment, services, and leases that you must purchase when you first open the Franchised Restaurant, and less than 10% of your total ongoing purchases once the Franchised Restaurant is open.

Insurance

You must procure and keep in force insurance policies, in such amounts and on such terms, as prescribed by us in the Manual, by an insurance company acceptable to us at all times during the term of the Franchise Agreement. As of the date of this Disclosure Document, we require you to obtain at least $2 million in general liability coverage, $1 million for property coverage, and $5 million for umbrella coverage. You must obtain such policies within 30 days after signing the Franchise Agreement. Insurance coverage must include general liability, combined single limit, bodily injury and property damage insurance for premises operations, products liability and all other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than such amount provided in the Manual and adjusted by us periodically in our sole discretion. Insurance policies must insure you and us and our Affiliates, officers, stockholders, directors, and all other parties designated by us, as additional named insureds against any liability that may accrue against them by reason of the ownership, maintenance or operation by you of the Franchised Restaurant. The policies must also stipulate that we shall receive a 30-day prior written notice of cancellation. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to us, including original endorsements affecting the coverage required by the Franchise Agreement, shall be furnished to us together with proof of payment within 10 days of issuance. You shall also furnish us with certificates and endorsements evidencing such insurance coverage within 10 days after each of the following events: (i) at all policy renewal periods, no less often than annually, and (ii) at all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are subject to approval by us. We reserve the right to require complete, certified copies of all required insurance policies at any time in our sole discretion. In the event you fail to obtain the required insurance and to keep the same in full force and effect, we may, but shall not be obligated to, purchase insurance on your behalf from an insurance carrier of our choice, and you shall reimburse us for the full cost of such insurance, along with a reasonable service charge to compensate us for the time and effort expended to secure such insurance, within 5 days of the date we deliver an invoice detailing such costs and expenses to you. Notwithstanding the foregoing, your failure to obtain insurance constitutes a material breach of the Franchise Agreement entitling us to terminate the Franchise Agreement or exercise any or a combination of the other default remedies outlined in Section 16 of the Franchise Agreement. You shall also procure and pay for all other insurance required by state or federal law, including, without limitation, workers' compensation and unemployment insurance.

Computer System

We require you to purchase and use the computer hardware, software, computer system, and console enterprise required by NCR ALOHA (or our then-current approved supplier for Flagship Format and Fast Casual Format Franchised Restaurants) or CLOVER (or out then-current approved supplier for TO GO Format Franchised Restaurants), as the case may be ("**POS System**"), as changed from time to time by us, in operating your Franchised Restaurant. When you accept payment by credit cards or debit cards, you are responsible for and must pay the costs necessary to ensure that you comply with the Payment Card Industry Data Security Standard ("**PCI**"). You are also responsible for complying with all applicable federal and state laws

(including the California Consumer Privacy Act as applicable) and regulations concerning data security, data privacy, collecting, using, selling, disposing and maintaining personal information and security breaches. You must use your best efforts to protect employees and customers against identity theft and misuse of personal information.

Proprietary Products

We have developed Proprietary Products and will continue to develop and own Proprietary Products. In order to monitor the manufacture, packaging, processing, and sale of the Proprietary Products, we will: (i) manufacture, supply, and sell the Proprietary Products to you; and/or (ii) disclose the methods of preparation for the Proprietary Products to a number of suppliers we authorize to manufacture the Proprietary Products to our precise specifications and to sell the Proprietary Products to you. You must purchase and use the Proprietary Products from us or one of the suppliers we authorize. We do not anticipate receiving any revenues from the Proprietary Products. However, if at one point in the future, we receive revenues from its Proprietary Products, we reserve the right to retain those revenues. We expect that the Proprietary Product purchases will represent approximately 5% of your total initial investment and less than 10% of your continuous total outlays in operating the Franchised Restaurant. Purchases of Proprietary Products are collected via EFT withdrawal.

Other Products and Services

You are required to fit out the location of your Franchised Restaurant in accordance with our design specifications supplied under the design we provide to you. You are not required to purchase or lease fixtures or other supplies from any particular source to accomplish the fit out. You agree that all merchandise offered in your store will be of such standards of quality as not to bring discredit on your store or on us. You also agree that, as nearly as you can make possible, the merchandise will be free from defects and of good, merchantable, and commercially acceptable quality. Nationally known brand names of quality comparable to MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® store merchandise are acceptable. You are required to purchase merchandise only from us or an approved supplier, as applicable.

Trademarked Products

We may develop proprietary or private-labeled Trademarked Products related to the Franchised Restaurant. In order to protect our Trademarked Products and to monitor the manufacture, packaging, processing, and sale of the Trademarked Products, we will (i) manufacture, supply, and sell the Trademarked Products to you; and/or (ii) disclose the designs or specifications of the Trademarked Products to at least one supplier who we will authorize to manufacture the Trademarked Products to our precise specifications and sell the Trademarked Products to you. You must purchase the Trademarked Products from us or a supplier we authorize. We may derive revenue from your purchase of the Trademarked Products. At this time, we expect that your costs of purchasing the Trademarked Products as a percentage of your total purchases for the Franchised Restaurant will be less than .5%.

Remodeling, Modernizing, and Redecorating

We may require you to make an additional investment of up to $25,000 (subject to any annual increases in the Consumer Price Index ("**CPI**") to remodel, modernize, and redecorate your Franchised Restaurant and its Premises once during any term of the Franchise Agreement. However, you will not be required to do so more than once during any term of the Franchise Agreement, provided that no such expenditures are necessary, as determined by us, during the first year of the Franchise Agreement. If you must make this investment during the last year of the Franchise Agreement, you will be required to do so only as a condition of renewal of that Franchise Agreement.

Modifications

We will require you to make modifications to your Franchised Restaurant but such modifications will not exceed $50,000 during any term of the Franchise Agreement. You will not be required to make such modification during the first year of the Franchise Agreement. If you must make these modifications during the last year of the Franchise Agreement, you will be required to do so only as a condition of renewal of that Franchise Agreement.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement*	Disclosure Document Item
a. Site selection and acquisition/lease	Section 3 Area Development Agreement, Section 1	ITEM 7, ITEM 11 and ITEM 12
b. Pre-opening purchases/leases	Sections 3 and 12	ITEM 6, ITEM 7, ITEM 8 and ITEM 11
c. Site development and other pre-opening requirements	Sections 3, 4, and 12 Area Development Agreement, Section 6	ITEM 8 and ITEM 11
d. Initial and ongoing training	Section 4 Area Development Agreement, Paragraph VI.	ITEM 6, ITEM 7 and ITEM 11
e. Opening	Sections 4, 9.2, and 12.2	ITEM 11
f. Fees	Sections 1, 3, 4, 10, and 18 Area Development Agreement, Section 1	ITEM 5, ITEM 6, ITEM 7, ITEM 8 and ITEM 11
g. Compliance with standards and policies/operating manual	Sections 3, 6, 7, 8, 9, 10, 11, and 12 Area Development Agreement, Section 5	ITEM 8, ITEM 11, ITEM 13, ITEM 14, ITEM 16 and ITEM 17

Obligation	Section in Agreement*	Disclosure Document Item
h. Trademarks and proprietary information	Sections 5, 7, 12 Paragraphs V., VI., VII., XII. Area Development Agreement, Section 5	ITEM 13 and ITEM 14
i. Restrictions on products/services offered	Sections 5 and 12	ITEM 8 and ITEM 16
j. Warranty and customer service requirements	Section 12	ITEM 6
k. Territorial development and sales quotas	Section 1 Area Development Agreement, Sections 1 and 2	ITEM 12
l. Ongoing product/service purchases	Section 12	ITEM 8
m. Maintenance, appearance, and remodeling requirements	Sections 3, 8, 12, and 16	ITEM 6, ITEM 8 and ITEM 17
n. Insurance	Section 14	ITEM 6 and ITEM 8
o. Advertising	Section 9	ITEM 6 and ITEM 11
p. Indemnification	Sections 14 and 20 Area Development Agreement, Section 11	ITEM 6
q. Owner's participation/ management/staffing	Sections 12 and 15	ITEM 15
r. Records and reports	Sections 10 and 11	ITEM 8 and ITEM 11
s. Inspections and audits	Sections 5 and 11	ITEM 6, ITEM 11 and
t. Transfer	Sections 18 and 19 Area Development Agreement, Section 8	ITEM 6 and ITEM 17
u. Renewal	Section 2	ITEM 17
v. Post-termination obligations	Section 17 Area Development Agreement, Section 7	ITEM 17
w. Non-competition covenants	Section 15 Area Development Agreement, Section 9	ITEM 17
x. Dispute resolution	Sections 26, 27, and 28 Area Development Agreement, Sections 18 and 19	ITEM 17

*Unless otherwise noted, Section references are to the Franchise Agreement.

ITEM 10
FINANCING

We do not offer direct or indirect financing to you. We do not guarantee your note, lease, or other obligations.

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

Except as listed below, eMax's, LLC is not required to provide you with any assistance.

Our Obligations Before the Franchised Restaurant Opens

1. Authorize a location for the Franchised Restaurant. (Section 3, Franchise Agreement) You are responsible for purchasing or leasing a suitable site for the Franchised Restaurant. Our approval of the site is required. We will approve or disapprove a potential site within 30 business days. (Section 3.3, Franchise Agreement) If an acceptable site cannot be found within 6 months of the signing of the Franchise Agreement, the Franchise Agreement may be terminated. (Section 3.5, Franchise Agreement) We will consider the following in approving a location for your Franchised Restaurant: (i) population; (ii) market; and (iii) demographics.

2. Use reasonable efforts to help analyze your market area, to help determine site feasibility and to assist in the designation of the location; however, we will not conduct site selection activities on your behalf. We do not guarantee the success or the availability of any location. It is your sole responsibility to select a site and secure the Premises of your Franchised Restaurant. (Section 3.2, Franchise Agreement)

3. Train you, your Store Manager, and selected key personnel, in all aspects of a Franchised Restaurant operation as described below. (Section 4.1, Franchise Agreement)

4. After you, your Store Manager, and selected key personnel have attended and successfully completed the training program as designated by us, we will furnish to you, free of charge, trainers for the purpose of assisting in the opening of the Franchised Restaurant ("**Opening Team**"). If this is your first Franchised Restaurant, the Opening Team will consist of two to four trainers who will likely be onsite for approximately two to three weeks to assist you with implementing the System at your Franchised Restaurant, depending on the store format you are opening. If this is your second or any subsequent Franchised Restaurant, the Opening Team will consist of one to two trainers who will likely be onsite for approximately one week. During this period, the Opening Team will assist you and your employees in performing standard procedures and techniques essential to the operation of a Franchised Restaurant. All expenses incurred by you and your employees in attending such onsite training and assistance including, without limitation, travel costs, room and board expenses, and employee's salaries, will be your responsibility. If you request additional training and assistance from the Opening Team, and we deem it necessary, feasible, and appropriate, we will comply with your request, and you will pay us the per diem rate as published in the Manual ($500 as of this writing) for each member of the

Opening Team plus any additional expenses relating to such request, which may include, but is not limited to, transportation and room and board for the Opening Team members. (Section 4.1 of the Franchise Agreement).

5. Loan you one copy of the Manual, or provide you with password protected electronic access to the Manual, which contains reasonable, mandatory and suggested specifications, standards, operating procedures and rules. The Manual contains 627 pages. We, in conjunction with you, will modify the Manual as needed to adapt it to U.S. specifications prior to and during training and opening assistance. We may also make subsequent modifications to the Manual. Modifications will not alter your status and rights under the Franchise Agreement. The Manual, including modifications, is confidential and remains our property. (Section 6.1, Franchise Agreement) The Table of Contents of the Manual is attached to this Disclosure Document as **Exhibit B**.

6. Deliver, upon execution of your first Franchise Agreement, all of the specifications, Approved Suppliers Lists, Approved Supplies List, training and operations manuals will be delivered upon execution of your first Franchise Agreement. (Section 13.5, Franchise Agreement)

7. Provide assistance to you in obtaining the POS System or computer hardware or software including the specifications for these items. You will keep true, complete, and correct records of each transaction of any activity affecting revenues, inventory, purchasing, sales and other related data as we require of the Franchised Restaurant. You will utilize computer systems and programs that are fully compatible with our business system or other programs, without the necessity of us altering any of its programs or equipment, and as we prescribe. We will have full access to all of your computer systems and related data and information by means of direct access whether in person or by telephone/modem. (Section 11.4, Franchise Agreement) See subsequent data within this ITEM 11 of this Disclosure Document for additional information concerning the computer and/or POS System.

Typical Length of Time Before Operation:

The typical length of time between the signing of the Franchise Agreement and the opening of your business is approximately 12 to 18 months for an in-line Franchised Restaurant and 12 to 24 months for a free-standing Franchised Restaurant. Factors that may impact this length of time may include whether you have a site selected upon execution of the Franchise Agreement and your ability to obtain a site, prepare a site survey, arrange leasing and financing, make leasehold improvements, install fixtures, equipment, and signs, decorate the Franchised Restaurant, obtain the permits and licenses for the operation of the Franchised Restaurant, meet local requirements, obtain inventory, and similar factors.

You must open your Franchised Restaurant within 18 months after signing the Franchise Agreement unless we otherwise consent in writing. (Section 12.2, Franchise Agreement)

Our Obligations During the Operation of the Franchised Restaurant

1. For at least 2 weeks starting from the soft opening of the operations of the Franchised Restaurant, we will furnish you, at the Premises of your Franchised Restaurant and at our expense, one or more trainers for the purpose of assisting in the opening of the Franchised Restaurant. During this period, the trainer(s) will assist you and your employees in doing standard procedures and techniques essential to the operation of a Franchised Restaurant. You may request additional assistance from us in order to facilitate the opening of your Franchised Restaurant and, if we deem it necessary, we will provide you with such additional assistance. You must reimburse us for our expense of providing this additional assistance. (Section 4.1, Franchise Agreement)

2. You will submit to us or our designated agency, for our or its advance approval, all promotional materials and advertising you will use, including newspapers, radio scripts, mailers, press releases, television advertising, specialty and novelty items and signs. If we do not disapprove in writing any advertising or promotional item within 15 days of receipt, the particular materials will be considered approved. (Section 9.1, Franchise Agreement)

3. Provide guidelines for local and cooperative advertising and any deviation from these guidelines requires our advance approval. You may be required to spend up to 3% of Net Sales on local and cooperative advertising. Cooperative advertising is not being required at this time. (Section 9.4, Franchise Agreement)

4. We may update the Approved Supplies List and Approved Suppliers List. (Section 12.11, Franchise Agreement)

5. We may change or modify the System, including the adoption and use of new or modified Marks or Copyrighted Works, new computer programs, software, and systems, new types or brands of products, new inventory requirements, new equipment or new techniques. (Section 8, Franchise Agreement)

6. We will: (Section 13.2, Franchise Agreement)

(i) Provide you with the Approved Suppliers List and Approved Supplies List, as developed. However, we make no representation or warranty that any particular approved supplier will be willing or able to sell to all franchisees, including you;

(ii) Negotiate group rates on products, services, and supplies as we deem necessary;

(iii) Attempt to coordinate equipment, product, and supplies distribution for local, regional, and national suppliers as we deem necessary;

(iv) Regulate quality standards and products in conformance with the System specifications throughout the network of MAX'S RESTAURANT CUISINE OF THE

PHILIPPINES® restaurants;

(v) Provide continuous support for unit operations and maintenance, customer service techniques and administrative procedures; and

(vi) Coordinate development of advertising materials and strategies for the benefit of all members of the franchise network.

7. We will furnish you with assistance in the operation of the Franchised Restaurant as we reasonably determine to be necessary. Operations assistance will consist of advice and guidance with respect to the following: (Section 13.3, Franchise Agreement)

(i) Proper utilization of procedures regarding the products and services to be offered from the Franchised Restaurant as we approve;

(ii) Purchase of equipment, materials and supplies;

(iii) The institution of proper administrative, bookkeeping, accounting, inventory control, supervisory and general operating procedures for the effective operation of the Franchised Restaurant;

(iv) Advertising and promotional programs; and

(v) Ongoing research and development of new procedures and techniques, new products, and other enhancements to the System.

8. We or our representative may make periodic visits to the Franchised Restaurant, at our expense, to consult and assist you in all aspects of the operation of the Franchised Restaurant. We or our representative who visits the Franchised Restaurant may prepare written reports concerning these visits, outlining any suggested changes in the operation of the Franchised Restaurant and detailing any defaults in your operation which become evident as a result of any visit. We will provide you with a copy of any written report. We will advise you of problems arising out of the operation of the Franchised Restaurant as disclosed by reports you submit to us or by inspections we conduct of the Franchised Restaurant. (Section 13.4, Franchise Agreement)

9. We will provide you with a list of selling prices for the food and other products offered for sale by the Franchised Restaurant that in our judgment constitute good business practice. The price list will be based on our experience associated with company-owned Franchised Restaurants, the experiences of our franchisees in operating Franchised Restaurants, and an analysis of the costs of such products and prices charged for competitive products. You will not be obligated to use any such price list(s) unless we specifically require you to do so. (Section 13.1, Franchise Agreement)

10. We may vary standards for any System franchisee based upon the peculiarities of the particular site or circumstance or any other condition which we deem important to the successful operation of the franchisee's Franchised Restaurant. You may not require us to disclose or grant to you a like or similar variation. (Section 1.3, Franchise Agreement)

Our Obligations During the Area Development Agreement

A developer signs the Franchise Agreement for the first Franchised Restaurant to be developed in the Development Schedule at the time the Area Development Agreement is signed. Our obligations under the Franchise Agreement apply to a Developer. Each time a developer signs another Franchise Agreement, our obligations are activated for the new Franchised Restaurant to be established. We do not have separate obligations under the Area Development Agreement.

Advertising Program

Advertising Fund. We manage, maintain, and administer an Advertising and Development Fund ("**Advertising Fund**") that is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System. You are required to contribute up to 3% of your Net Sales (currently .5%) each month to the Advertising Fund at the same time, in the same manner as, and in addition to, your Royalty Fee payments. We will give you 30 days' notice before requiring your initial contribution to the Advertising Fund. These payments will be made in addition to and exclusive of any sums that you may be required to spend on cooperative and local advertising and promotion conducted independently. Each Affiliate-owned MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® offering products and services similar to the Franchised Restaurant which you will operate will make contributions to the Advertising Fund equal to the contributions required of Franchised Restaurants within the System.

We will direct all advertising programs with sole discretion over the creative concepts, materials, and media used in such programs and the placement and allocation. In administering the Advertising Fund, we are not obligated to make expenditures for you which are equal or proportionate to your contribution or to ensure that any particular franchisee benefits directly pro rata from the placement of advertising or the Advertising Fund. No advertising expenditures from the Advertising Fund will be devoted expressly to the sale of new franchises.

The Advertising Fund may be used to meet any and all costs of maintaining, administering, directing, producing, and preparing promotions and advertising (including, without limitation, the cost of conducting public relations activities, conducting advertising; and producing promotional brochures and other marketing materials to Franchisees in the System). All sums paid by you to the Advertising Fund will be maintained in a separate account from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable administrative costs and overhead, if any, as we may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs including, without limitation, modifying and updating our website, conducting market research, preparing marketing and advertising materials, and collecting and accounting for assessments for the Advertising Fund.

It is anticipated that all contributions to the Advertising Fund will be expended for advertising and promotional purposes during our fiscal year within which contributions are made. If, however, excess amounts remain in the Advertising Fund at the end of our fiscal year, all expenditures in the following fiscal year(s) will be made first out of any current interest or other earnings of the Advertising Fund, next out of any accumulated earnings, and finally from principal. Although we intend the Advertising Fund to be of perpetual duration, we reserve the right to terminate the Advertising Fund at any time. The Advertising Fund will not be terminated, however, until all monies in the advertising Fund have been expended for advertising and promotional purposes.

The accounting/financial statements will be made available every year to you, upon your request by telephone or written correspondence. We reserve the right, at our option, to require that the accounting/financial statements include an audit of the operation of the Advertising Fund prepared by an independent Certified Public Account selected by us and prepared at the expense of the Advertising Fund.

During the 2025 fiscal year, the expenditures by the Advertising Fund were as follows: 61.69% for media placement and promotions; 23.47% for production; 1.41% for administrative; and the remaining 13.43% for miscellaneous expenditures, including marketing-related training, marketing incentive and promotions, and various events.

Local and Cooperative Advertising. You are required to spend up to 3% of your Net Sales (currently 1%) each month on local and cooperative advertising and promotion. We will decide how much you are required to spend on local expenditures, which will be made directly by you as required by us in the Manual, subject to approval and direction by us, or our designated advertising agency. Within 30 days of the end of each month, you must furnish to us, in a manner approved by us, an accurate accounting of your expenditures on local advertising and promotion for the preceding calendar month just ended. We will provide you with guidelines for local advertising and any deviation from those guidelines by you requires prior approval from us.

We reserve the right, in the future, to designate a local or regional advertising coverage area ("**ACA**") in which your Franchised Restaurant and at least one other Franchised Restaurant is located for the purpose of developing a cooperative local, regional, or national advertising or promotional program ("**Cooperative**"). Currently we do not have a cooperative advertising program. An ACA is defined as an area covered by the particular advertising medium (television, radio, Internet, print media or other medium) as recognized in the industry. You may have to contribute up to 1.5% percent of your Net Sales each month to the Cooperative. You will participate in and contribute your share to the Cooperative in your ACA in addition to the required contributions you make to the Advertising Fund. We or our designee will be responsible for administering the Cooperative. However, we reserve the right to form a regional advisory council to administer the Cooperative ("**Regional Advisory Council"**). If formed, the Regional Advisory Council will be comprised of us and franchisees in the ACA and we will submit a list to you of all operating MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants within the ACA. The Cooperative will operate from written governing documents we or our designee prepare which will be made available to you upon reasonable request. We will prepare an accounting of the operation of the Cooperative annually, at the expense of the

Cooperative, and we will make it available to you upon reasonable request. We reserve the right, at its option, to require and select an independent certified public accountant to prepare, at the expense of the Cooperative, an audit for the annual accounting of the operation of the Cooperative. We, in our sole discretion, will have the right to change, merge or dissolve the Cooperative. The Cooperative will not be dissolved until all of the money in the Cooperative has been spent for advertising and promotional purposes. We will decide how much of the local and cooperative advertising is spent locally and how much is spent cooperatively.

You are required to maintain, at your own cost, a listing in boldface type in the white pages of the local telephone directory and to advertise continuously in the classified or Yellow Pages of the local telephone directory and any trade directories and Internet directories as required by us. You are required to maintain, at your own cost, a Yellow Pages listing in boldface type under the listing "Restaurants" and such other listings of the size and type deemed appropriate by us. When more than one Franchised Restaurant serves a metropolitan area, classified advertisements will list all Franchised Restaurants operating within the distribution area of such classified directories, and you will each contribute your equal share, defined as each unit paying an equal amount towards the cost of an advertisement in a manner to be determined from time to time by us. These required expenditures on Yellow Pages advertising are offset against the local and cooperative advertising and promotion requirements outlined above.

You may not advertise or use in advertising or any other form of promotion, our Copyrighted Works, trademarks, service marks, or commercial symbols without the appropriate © or ® registration marks or the designation TM or SM where applicable.

Advisory Council. We, at our discretion, may form a MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchisee advisory council ("**Advisory Council**") before, or after your first Franchised Restaurant opens. You will participate in all Council programs that we approve. The purpose of the Council includes exchanging ideas and problem-solving methods, advising us on expenditures for advertising, and coordinating System franchisee efforts.

Computer and POS System

You will keep true, complete and correct records of each transaction of any activity affecting revenues, inventory, purchasing, sales and other related data as we require of the Franchised Restaurant. You must retain for a period of 3 years following the end of each fiscal year, all books and records related to the Franchised Restaurant including, without limitation, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipts and disbursement journals and general ledgers. You will utilize computer systems and programs that are fully compatible with our business system or other programs, without the necessity of us altering any of its programs or equipment, and as we prescribe. We will have full and independent access to all of the information generated and stored in your computer systems by means of direct access whether in person or by telephone/modem. We also have the right to use such data and information from your POS System that we deem necessary or desirable.

For a Flagship Format or Fast Casual Format Franchised Restaurant, we require you to use the following hardware, software, and computer system to comprise your POS System, unless changed from time to time by us, in operating your Franchised Restaurant:

(i) NCR ALOHA Table Service on Windows 7 Professional (or similar system subject to our approval).

(ii) Hardware requirements of 4GB of RAM, 500 GB HD; 15" TFT High Bright LCD with LED Backlight 1024x768 Resolution 16 Million Color; as well as other various components and accessories as recommended by NCR ALOHA (or then-current approved supplier) for the proper functioning of the POS System.

For a TO GO Format Franchised Restaurant, we require you to use the following hardware, software, and computer system to comprise your POS System, unless changed from time to time by us, in operating your Franchised Restaurant:

(iii) CLOVER, a cloud-based POS System which operates via countertop stations, handheld devices, and a kitchen display system (or similar system subject to our approval).

(iv) Hardware requirements include swipe and chip payment functionality; 14" high definition-resolution tiltable touchscreen; cash drawer; high-speed printer; backup battery that lasts up to four hours; fingerprint login capabilities; WiFi, Ethernet, and LTE connectivity; as well as other various components and accessories as recommended by CLOVER (or then-current approved supplier) for the proper functioning of the POS System.

The POS System that you use in operating your Franchised Restaurant will collect: (i) sales information; (ii) inventory information; (iii) vendor and customer information; and (iv) other account information.

For a Flagship Format or Fast Casual Format Franchised Restaurant, the estimated total cost of purchasing the POS System and computer systems is from $15,000 to $30,000. For a TO GO Format Franchised Restaurant, the estimated total cost of purchasing the POS System and computer systems is from $3,400 to $4,000.

You will upgrade any hardware or software as we require at any time during the term of the Franchise Agreement to be compatible with the hardware and software we require. You will also be required to maintain the hardware and software through a maintenance agreement with the approved supplier (or as otherwise approved by us) at an estimated annual cost of $3,000.

Training

All expenses that you and your core team of employees (which must include your Store Manager) incur in attending the initial training program, including but not limited to employee salaries, travel costs, and room and board expenses, will be your sole responsibility. For a Flagship Format or Fast Casual Format Franchised Restaurant, all training occurs at our Affiliate's outlet in

Las Vegas, Nevada, or another location that we designate. (Section 4.1) We will train you and your core team of employees before beginning operation of the Franchised Restaurant, free of charge, for approximately four weeks as described below. For a TO GO Format Franchised Restaurant, all training occurs at your operating Flagship Format or Fast Casual Format Franchised Restaurant and/or via electronic communication. We will train you and your core team of employees before beginning operation of the Franchised Restaurant, free of charge, for approximately two weeks as described below. The subjects covered in training, approximate hours of classroom training and on-the-job training, and training locations are described below:

TRAINING PROGRAM
FLAGSHIP FORMAT AND FAST CASUAL FORMAT

Subject	Hours of Classroom Training	Hours of on the Job Training	Location
General Management: On Boarding, Philosophy, Introduction, Establishing the Franchised Restaurant, Personnel, Record Keeping and Accounting, and Back of House Management	24	20	Our Affiliate's outlet in Las Vegas, Nevada, or another location that we designate, and/or via electronic communication
Dining Operations: Front of House Management and Procedures, Cashiering, Delivery, Sanitation, Advertising and Marketing, Menu, and Safety	12	40	Our Affiliate's outlet in Las Vegas, Nevada, or another location that we designate, and/or via electronic communication
Kitchen Operations: Raw Materials, Good Manufacturing Procedures, Prep Cooking, Line Cooking, Menu, Recipes, Quality Control, Sanitation, Health Department Specifications, Inventory, Safety, and Dishwashing	12	100	Our Affiliate's outlet in Las Vegas, Nevada, or another location that we designate, and/or via electronic communication
Total	**48**	**160**	

TRAINING PROGRAM
TO GO FORMAT

Subject	Hours of Classroom Training	Hours of on the Job Training	Location
General Management: On Boarding, Philosophy, Introduction, Establishing the Franchised Restaurant, Personnel, Record Keeping and Accounting, and Back of House Management	16	16	Your operating Flagship Format or Fast Casual Format Franchised Restaurant, and/or via electronic communication.
Dining Operations: Front of House Management and Procedures, Cashiering, Delivery, Sanitation, Advertising and Marketing, Menu, and Safety	12	16	Your operating Flagship Format or Fast Casual Format Franchised Restaurant, and/or via electronic communication.
Kitchen Operations: Raw Materials, Good Manufacturing Procedures, Prep Cooking, Line Cooking, Menu, Recipes, Quality Control, Sanitation, Health Department Specifications, Inventory, Safety, and Dishwashing	8	40	Your operating Flagship Format or Fast Casual Format Franchised Restaurant, and/or via electronic communication.
Total	**36**	**62**	

We will maintain a formal training staff including the following: Ms. Maria Lana P. Marcaida, our Regional Business Head for North America, who has approximately nine years of experience with us and approximately 39 years of experience in this industry; Ms. Catherine Ferrer, our Operations and Marketing Director for North America, who has 13 years of experience with us and 22 years of experience in this industry; Mr. Care Patrickeiff Rabago Pantojan, our Marketing Manager for North America, who has approximately six years with us and 13 years of experience in this industry; Mr. Mark Fernandez, our Production Chef, who has 11 years of experience with our Affiliate-owned restaurant, MAX'S OF MANILA® in Las Vegas, Nevada, and has served as a Certified Food Handler since 2013; Amor Inacay, our Operations Specialist, who has approximately two years of experience and more than 37 years of experience in this industry; and Mr. Cristobal Desulo, who has served as Master Chef for our Affiliate-owned restaurant, MAX'S OF MANILA®, in Glendale, California since January 1995 and a Certified Food Handler since June 2011. Mr. Desulo has more than 50 years of experience in this industry. He is responsible for training the master chef, line cooks, and kitchen helps of Franchised Restaurants prior to their opening. He also trains the master chef and line cooks regarding new products before they are launched.

You and your management staff must complete our training program to our satisfaction or we may require you to undergo additional training at your expense or we may cancel the Franchise Agreement. If you designate new or additional Store Managers after the initial training program, we will provide training, at a location that we designate, to these Store Managers at the then-current standard rate as established in the Manual, which is currently $500 per day, plus daily living expenses. You will pay all costs that your Store Managers incur in attending the training program.

We may require that previously-trained and experienced franchisees and their Store Managers or employees attend and successfully complete refresher training programs or seminars to be conducted at a location that we designate. Attendance at the refresher training programs or seminars will be at your sole expense; provided, however, that attendance will not be required at more than two programs in any calendar year which will not exceed two days each in duration.

ITEM 12
TERRITORY

Franchise Agreement

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. There is no sales quota that you must meet to retain your Authorized Location. You may not establish or operate another Franchised Restaurant unless you enter into a separate Franchise Agreement. Under your Franchise Agreement, you do not receive any options for additional franchises, any rights of first refusal to acquire additional franchises, or any similar rights to buy additional franchises.

The Franchise Agreement grants you the right and license to establish and operate one Franchised Restaurant as we may direct, to be located at the site ("**Authorized Location**") specified in **Attachment A** to the Franchise Agreement, which must be designated within 6 months from the date of the Franchise Agreement. Our approval of a site does not constitute a warranty of any kind, express or implied, as to the suitability of the site for your Franchised Restaurant. Our acceptance of a franchise for the operation of a Franchised Restaurant at an Authorized Location is based on your own independent investigation. If an Authorized Location is not designated by you and approved by us within 6 months from the date of the Franchise Agreement, we have the right to declare the Franchise Agreement null and void without the return of any Initial Franchise Fee or other amounts paid to us. You accept the license and undertake the obligation to operate the Franchised Restaurant at the Authorized Location using the Marks and the System in compliances with the terms and conditions of the Franchise Agreement.

You must locate and operate the Franchised Restaurant at an Authorized Location within the area described in **Attachment A** to the Franchise Agreement ("**Designated Area**"). You must open and operate the Franchised Restaurant by the required open date ("**Required Open Date**") as specified in **Attachment A** to the Franchise Agreement.

You may not relocate your Franchised Restaurant without our prior written approval; however, you will be able to relocate the Franchised Restaurant if the lease for the site expires or terminates and it is not your fault, if the site is destroyed, condemned, or otherwise rendered unusable, or if we and you otherwise consent. Any relocation will be at your expense and we will have the right to charge you for reasonable costs that we incur in approving the new site; however, those costs will not exceed $10,000.

You do not have any right to sublicense or subfranchise within or outside of the Designated Area and do not have the right to operate more than one Franchised Restaurant within the Designated Area. You may not engage in catering and delivery services and activities within or outside of the Designated Area, unless we provide you with written authorization to do so. We and our Affiliates will not engage in catering and delivery services and activities in the Designated Area; however, we have no obligation to enforce similar covenants against any other franchisee.

The license is limited to the right to develop and operate one Franchised Restaurant at the Authorized Location located in the Designated Area, and does not include (i) any right to sell products and Menu Items identified by the Marks at any location other than the Authorized Location, except for catering and delivery services authorized in writing by us, or through any other channels or methods of distribution, including the Internet (or any existing or future form of electronic commerce), (ii) any right to sell products and Menu Items identified by the Marks to any person or entity for resale or further distribution, or (iii) any right to exclude, control, or impose conditions on our development of future franchised, company, or Affiliate-owned restaurants at any time outside of the Designated Area. The consumer service area or trade area of another MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® may overlap with your Designated Area.

We and our Affiliates have the right to:

1. Operate and franchise others the right to operate restaurants or any other business within and outside the Designated Area under trademarks other than the Marks, without compensation to you, except that our operation of, or association or affiliation with, restaurants (through franchising or otherwise) in the Designated Area that compete with MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants in the casual family-oriented restaurant segment will only occur through some form of merger or acquisition with an existing restaurant chain (except as otherwise provided for in this subparagraph).

2. Outside of the Designated Area, we and our Affiliates have the right to grant other franchises or develop and operate company or Affiliate-owned MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants and offer, sell or distribute any products or services associated with the System (now or in the future) under the Marks or any other trademarks, service marks or trade names, all without compensation to you.

3. Offer, sell or distribute, within and outside the Designated Area, through any distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, except for Prohibited Items (as defined below), through any distribution channels or methods, without compensation to you. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the Internet (or any other existing or future form of electronic commerce). The "**Prohibited Items**" include the following items that we will not sell in the Designated Area through other distribution channels or methods: any retail food service Menu Items that are cooked or prepared to be served to the end user or customer for consumption at the retail location.

Certain locations within and outside the Designated Area are by their nature unique and separate in character from sites generally developed as MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants. As a result, the following locations ("**Special Sites**") are excluded from the Designated Area and we have the right to develop, license or franchise such locations: (1) military bases; (2) public transportation facilities, including, without limitation, airports and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events.

Area Development

If you sign an Area Development Agreement, you will be assigned an exclusive territory known as your "Designated Territory." The Area Development Agreement will outline the details of the Designated Territory in which you will develop and operate your Franchised Restaurants in **Attachment A** to that Agreement. Typically, a Designated Territory will encompass an entire state, or if the state is especially high in population, it may encompass a Metropolitan Statistical Area (MSA) and its surrounding counties.

If you comply fully with the conditions contained in the Area Development Agreement, you will have the right to develop additional Franchised Restaurants in that Designated Territory, based on a specified Development Schedule. The rights granted under the Area Development Agreement relate only to the development of the Franchised Restaurants identified in the Area Development Agreement. Except as provided in the Area Development Agreement, and subject to your full compliance with the Area Development Agreement and any other agreement among you or any of your Affiliates and us or any of our Affiliates, we will not establish, nor franchise anyone other than you to establish any MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant in the Designated Territory prior to the expiration of the Development Schedule included in **Attachment B** of the Area Development Agreement. However, we, our Affiliates, and any other authorized person or entity (including any other MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchisee) may, at any time conduct any other type of activities within your Designated Territory that we are permitted to conduct under the Franchise Agreement.

Continuation of your territorial exclusivity does not depend on the achievement of a certain sales volume or market penetration, except that you have to fulfill the Development Schedule attached to your Area Development Agreement. Territorial protection is limited to the time you take to fulfill the development schedule. The acquisition of additional franchises is granted only if you purchase and sign a separate Franchise Agreement for each additional franchise. We retain the right to grant other franchises outside of your Designated Territory as we, in our sole discretion, deem appropriate.

If you fail to fulfill the Development Schedule, or otherwise default under the Area Development Agreement, we may terminate your right to develop additional Franchised Restaurants, we may reduce the number of options to develop additional Franchised Restaurants, we may eliminate or reduce the size of the Designated Territory, or we may impose any other restrictions on your development at our discretion.

Although we will not open a MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant within the Designated Territory as long as the Area Development Agreement is in force, we reserve the right, within and outside of the Designated Territory, to offer and sell under or using any marks, including the Marks, at wholesale, retail or through any other distribution system, products and services which comprise, or may in the future comprise, a part of the System including the Proprietary Products and Trademarked Products which products and services may be resold at retail or through any other distribution channel including Internet sales to the general public by those entities.

We reserve the right, within and outside of the Designated Territory, to sell at both wholesale and retail all products and services which do not comprise a part of the System. We reserve the right, outside of the Designated Territory, to grant franchises distinct from the franchise offered in the Franchise Agreement which may or may not use the Marks.

If you comply with the Area Development Agreement and all Franchise Agreements that you have signed and fulfill the Development Schedule as provided in **Attachment B** to that Agreement, and we decide to continue to develop additional Franchised Restaurants within the Designated Territory, you will have a right of first refusal to develop such additional Franchised Restaurants, and we will enter into a new Area Development Agreement with you for such additional units.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the nonexclusive right to use our Marks, including the trademarks "MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®" and "MAX'S OF MANILA® ("**Principal Marks**") and other designs and logo types associated with our Franchised Restaurants. You may also use our other current or future Marks that we may authorize you to use to operate your Franchised Restaurant.

The entire interest in the Principal Marks was transferred to us by Mrs. Noreen Trota under the terms of a Service Mark Assignment, dated April 23, 2002, and confirmed by a Memorandum of Agreement, dated May 23, 2002. Mrs. Trota is one of the major stockholders of Max's of Manila, Inc., which owns and operates the Affiliate-owned MAX'S OF MANILA® restaurant in Glendale, California.

We have registered the following Marks with the United States Patent and Trademark Office ("**USPTO**") on the Principal Register:

Mark	Filing or Registration Date	Serial/Registration Number	Status
MAX'S OF MANILA	May 23, 2000 (Renewed on July 28, 2020)	2,351,874	**Registered on the Principal Register**
Max's Restaurant Cuisine of the Philippines	November 23, 2010 (Renewed on March 2, 2021)	3,881,282	**Registered on the Principal Register**
Max's Caramel Bar	October 25, 2011	4,046,291	**Registered on the Principal Register**
THE HOUSE THAT FRIED CHICKEN BUILT	October 8, 2019	5,879,401	**Registered on the Principal Register**

We do not have federal registrations for the trademarks listed in the table below. Therefore, these trademarks do not have many legal benefits and rights as federally registered trademarks. If our right to use one or more of these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses:

Mark	Filing or Registration Date	Serial/Registration Number	Status
Max's CUISINE OF THE PHILIPPINES	December 8, 2023	98,305,355	Registration Pending
MAX'S CUISINE OF THE PHILIPPINES	December 8, 2023	98,305,381	Registration Pending

	COMMON LAW	COMMON LAW	COMMON LAW
	COMMON LAW	COMMON LAW	COMMON LAW

All required affidavits have been filed and accepted by the USPTO.

You must follow our rules when you use our Marks. You may use the Marks only in the manner we authorize and only for operating your Franchised Restaurant at the location specified in the Franchise Agreement. You may not use any of the Marks alone or with modifying words, designs, or symbols as part of a corporate or business name or in any form on the Internet, including but not limited to URLs, domain names, e-mail addresses, locators, links, metatags, or search techniques, except as we license to you. Guidelines regarding proper trademark use and notices are in the Manual and will be updated periodically in our discretion. You may not use our Marks with an unauthorized product or service, or in a manner not authorized in writing by us. You may not use our Marks with any Collateral Service provided by you, whether or not the Collateral Service has been approved by us.

Other than as permitted in the Manual, you must not use any Mark or any portion of the Marks as part of any corporate or trade name, or in any modified form, or in any manner we have not authorized in writing. We and our agents will have the right to enter and inspect your Franchised Restaurant to ensure that you are complying with our standards.

Your usage of the Marks and any goodwill established from their use will exclusively benefit us. You do not receive any interest in the Marks. You may not at any time contest the validity or ownership of the Marks or assist any other person in contesting the validity or ownership of the Marks including any Marks we authorize to you after you sign the Franchise Agreement.

Except as described above, there are currently no agreements which limit our right to use or sublicense the use of the Principal Marks in any manner material to the Franchise. There are currently no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, opposition or cancellation proceedings, or any pending material litigation involving any of our Marks which are relevant to the use of these Marks. There are no infringing or prior superior uses actually known to us that could materially affect the use of the Principal Marks in this state or any other state in which the Franchised Restaurant is to be located.

You must notify us immediately when you learn about an infringement of or challenge to your use of the Marks. We are not obligated to defend you against a claim involving your use of or right to use the Marks, nor to take affirmative action against any infringement. We have the sole right to control any administrative or legal proceedings concerning the Marks.

The Franchise Agreement does not require us to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you, or if the proceeding is resolved unfavorably to you.

You must modify or discontinue using any Mark upon direction to do so from us within a reasonable time after receiving notice from us. The Franchise Agreement does not provide you with any specific rights if we require you to modify or discontinue the use of any Marks. The Area Development Agreement does not grant you any right to use the Marks. We grant you rights to use the Marks only under the Franchise Agreement you sign with us.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

As described in ITEM 1, we entered into a Memorandum of Agreement with Max's Franchising, Inc. on April 12, 2002 that grants us the right to use the Manual, the System, and all other intellectual property and the right to license others to use the Manual, the System, and all other intellectual property to operate Franchised Restaurants under a Franchise Agreement.

The information contained in the Manual is proprietary and is protected by copyright and other laws. The Manual and the limitations of the use of it by you and your employees are described in this Disclosure Document. Advertisements, promotional materials, posters and signs, software, trade dress, and other portions of the System that include all or part of the Marks, and any other writings, artwork, or recordings in print or electronic form that we may permit or require you to use in connection with the Franchised Restaurant, are also protected by copyright and other laws. Although we have not filed an application for copyright registration for the Manual, we claim common law and federal copyrights to the Manual. We grant you the right to use this proprietary and copyrighted information ("**Copyrighted Works**") in connection with your operation of your Franchised Restaurant, but such copyrights remain our sole property. Your rights to use the Copyrighted Works are granted solely on the condition that you comply with the terms of Section 7 of the Franchise Agreement. You will use the Copyrighted Works only as we designate. The Manual belongs to us and you must return it to us upon the expiration or termination of the Franchise Agreement. You must keep the Manual updated and at the Franchised Restaurant. If there is a dispute with the contents of the Manual, the terms of our master copy will control. We intend that all other works of authorship concerning the System which are created in the future will be owned by us. We do not actually know of any infringing uses or rights that could materially affect your use of the Copyrighted Works in any state.

You must promptly notify us of any unauthorized use of or claim, demand, or cause of action based upon or arising from any attempt by any other person, firm, or corporation to use the confidential information or Copyrighted Works. You must also notify us of any claim or demand against you relating to the confidential information or Copyrighted Works within 10 days after you receive notice of said claim or demand. Upon receipt of timely notice of an

action, claim, or demand against you relating to the confidential information or Copyrighted Works, we have the sole right, but not the duty, to defend any such action. We shall have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the confidential information or Copyrighted Works and we shall exercise such right in our sole discretion. In any defense or prosecution of any litigation relating to the confidential information or Copyrighted Works, you must cooperate with us and execute any and all documents and take all actions as may be desirable or necessary in the opinion of our counsel, to carry out such defense or prosecution. Both parties shall make every effort consistent with the foregoing to protect, maintain, and promote the confidentiality of the information and integrity of the Copyrighted Works.

The Franchise Agreement does not provide you with any specific rights if you are required to modify or discontinue the use of our Copyrighted Works. You must add, modify, or discontinue the use of a Copyrighted Work if we instruct you to do so. You must not directly or indirectly contest our rights to any of our Copyrighted Works that are part of our business or the System.

Our Manual, electronic information and communications, sales and promotional materials, and other related materials are proprietary and confidential and are considered to be our property to be used by you only as described in the Franchise Agreement or the Manual. Where appropriate, certain information has also been identified as trade secrets ("**Trade Secrets**"). You must maintain the confidentiality of this information, unless we authorize otherwise in writing, and you must adopt reasonable procedures to prevent unauthorized disclosure of our Trade Secrets and confidential information.

You may divulge confidential information only to your employees who must know it to operate the Franchised Restaurant. All information you receive from us will be considered confidential except information which you can demonstrate lawfully came to your attention before our disclosure; or which, at the time of our disclosure to you, had lawfully become a part of the public domain; or which, after our disclosure to you, lawfully becomes a part of the public domain. Your employees who will have access to confidential information will have to sign confidential information agreements in a form acceptable to us. We will be entitled to seek equitable remedies, including restraining orders and injunctive relief, in order to protect its confidential information, Manual, and Marks.

No patents are material to us at this time, nor do we have any pending patent applications at this time. There currently are no effective determinations of the Copyright Office (Library of Congress) or any court regarding the Copyrighted Works. No agreement limits our right to use or allow others to use the Copyrighted Works.

If you make or acquire any improvements, including any enhancements, adaptations, derivative works, modifications or new processes ("**Improvements**") in the operation of your Franchised Restaurant, you will grant-back exclusive rights in these Improvements to us in consideration of the grant of the franchise and without the payment of additional consideration. We may include any Improvements we made or acquired in the Copyrighted Works, Manual, and the System, including any and all intellectual property rights of ours or products and services of the Franchised Restaurant, Manual, and the System for use by all of our franchisees and us. If we seek patent protection or copyright registration for any Improvements, we will do so at our

own expense. You will sign or have the creator sign all documents necessary to enable us to apply for intellectual property rights protection and to secure all rights to these Improvements. You will assign or have the authors assign to us any intellectual property rights in these Improvements. You will have each of your employees sign an agreement requiring employee cooperation with the foregoing requirements in a form acceptable to us. You agree that this does not constitute our consent to your modification of any Copyrighted Works, Manual, or the System or the creation of any derivative work based on any Copyrighted Works and you must obtain our express written consent before making the modification or derivative work.

You will not advertise or use in advertising or in any other form of promotion, our Copyrighted Works, trademarks, service marks, or commercial symbols without appropriate notices which may be required by applicable laws or as we may periodically direct including ©, ®, or other copyright or trademark registration notices or the designations (SM) or ® where applicable or an indication that the names "MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®" and "MAX'S OF MANILA®" are our trade names, trademarks, and service marks.

The Area Development Agreement does not grant you any right to use any of our Trade Secrets and/or confidential information. The Area Development Agreement does not grant you any right to any Copyrighted Works or patent which we now own or may own in the future. We grant you rights to use Trade Secrets, confidential information, Copyrighted Works, or patents only under the Franchise Agreement you sign with us.

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

You must participate in the day-to-day activities of the Franchised Restaurant and the Franchised Restaurant will at all times be under your direct on-premises supervision, or of a store manager ("**Store Manager**") who has successfully completed our initial training program. In the event you operate more than one franchise, at least one trained and competent employee referred to above must act as Store Manager of each location. In the event you operate more than one Franchised Restaurant, you must participate daily in a supervisory role by rotating between all of your Franchised Restaurants. You must keep us informed at all times of the identity of any employee(s) acting as Store Manager(s) of the Franchised Restaurant. We may, at any time, require reasonable and necessary training for Store Managers you designate.

If your Store Manager's employment with you is terminated, you must designate a new Store Manager who must successfully complete our initial training program within 90 days after the termination of the initial Store Manager, unless we do not hold an initial training program during that 90-day period, in which case the replacement Store Manager must attend and successfully complete the first available initial training program held by us.

You covenant in the Franchise Agreement that during the term of that Agreement, except as otherwise approved in writing by us, you (if you are an individual), the single biggest shareholder of the securities of your entity (if you are a corporation), a general partner of your entity (if you are a partnership), the managing member of your entity (if you are a limited

liability company), or your designated Store Manager will devote full-time energy and best efforts to the management and operation of the Franchised Restaurant.

Additionally, you and all of the shareholders of the securities of your entity (if you are a corporation), all of the partners (if you are a partnership), and all of the members of your entity (if you are a limited liability company) must sign the Guaranty and Assumption of Obligations to the Franchise Agreement.

ITEM 16
RESTRICTIONS ON WHAT FRANCHISEE MAY SELL

You must offer for sale, use, sell and provide through the Franchised Restaurant any or all of the products and services that we periodically authorize or require and will not, without our advance written approval, offer for sale, sell, or provide through the Franchised Restaurant on or from the premises ("**Premises**") which you occupy any other category of products or services or use the Premises or Franchised Restaurant for any purpose other than the operation of the Franchised Restaurant in full compliance with the Franchise Agreement.

We have the right to change authorized or required products and services that you may or must offer. There are no limits on our right to require changes, except that the investment required of you (for equipment, supplies and inventory necessary to implement the changes) will not exceed $50,000, subject to any annual increases in the CPI, during any term of the Franchise Agreement, but not in the first year, or in the last year of a term if you elect not to renew.

All inventory, products, materials, and other items used in the Franchised Restaurant which are not specifically required to be purchased in accordance with our Approved Suppliers List or the Approved Supplies List must conform to our established quality standards and specifications.

You must use, both within the Franchised Restaurant, and on products sold, only displays, labels, forms and other products and documentation imprinted with the Marks and colors that we prescribe periodically.

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.

FRANCHISE AGREEMENT

Provision	Section in Franchise or other Agreement	Summary
a. Length of the franchise term	Section 2.1	The term of the franchise will be equal to 5 years or the term of the lease, but not more than 10 years, and will begin on the date you obtain an occupancy permit for the Premises of the Franchised Restaurant or 180 days from the signing of the Franchise Agreement, whichever comes first.
b. Renewal or extension of the term	Section 2.2 Section 3.3 of Area Development Agreement	If you have complied with all of the provisions in the Franchise Agreement, you can renew for additional successive terms of 5 years each or the term of the lease for the Premises, not to exceed ten 10 years each, for a total of up to 20 years (including the initial term). When the Area Development Agreement terminates, the total term and renewal terms for each Franchise Agreement signed under that Area Development Agreement is extended to coincide with that of the last Franchise Agreement signed under that Area Development Agreement.
c. Requirements for you to renew or extend	Sections 2.2 and 2.3	You may renew the Franchise Agreement if you have complied with all of the Franchise Agreement provisions; you are not in default of any terms of the Franchise Agreement; you maintain possession of the Premises; you have brought the Franchised Restaurant into compliance with our current standards; you have given notice of renewal to us; you have satisfied all monetary obligations; you have signed a new Franchise Agreement (which may contain materially different terms and conditions than your original Franchise Agreement); you have met current qualifications and training requirements;

Provision	Section in Franchise or other Agreement	Summary
		you have signed a general release; and you have paid a Successor Franchise Fee of $7,500. You must give us written notice of your intent to renew between 9 to 12 months before the Franchise Agreement expires. You must meet our current requirements for image, appearance, decoration, furnishing, equipping and stocking of the Franchised Restaurant.
d. Termination by you	Not Applicable	You have no right to terminate the Franchise Agreement.
e. Termination by us without cause	Not Applicable	We have no right to terminate the Franchise Agreement without cause.
f. Termination by us with cause	Sections 16.1 and 16.2	We can terminate only for specified causes.
g. "Cause" defined – defaults which can be cured	Section 16.2	You must cure the following events within 30 days: Failure to complete training; Material misuse of Marks; Material misuse of software; Violation of health, safety or sanitation; Lack of insurance coverage; Failure to stay current with your creditors; and/or Failure or refusal to comply with Franchise Agreement and other requirements.
h. "Cause" defined - non-curable defaults	Section 16.1	The following events constitute non-curable defaults: You fail on 2 or more separate occasions within any period of 12 consecutive months to submit reports or pay payments due to us; You made material misrepresentation or omission in your franchise application; You are convicted of or charged with an indictable offence that is likely to adversely affect your reputation; You misuse Trade Secret or confidential information provided to you by us; You fail to operate the Franchised Restaurant for 5 business days in any 12 month period without proper cause; You improperly surrender or transfer control of the Franchised Restaurant; and You commit any affirmative act of insolvency or similar act that is not reversed within 30 days.

Provision	Section in Franchise or other Agreement	Summary
i. Your obligations on termination/non-renewal	Section 17	Your obligations include: stop operations of the Franchised Restaurant; assign or transfer any lease for the Premises to us; stop using the Marks; assign any assumed names to us; stop advertising as a Franchised Restaurant; de-identify the Premises; pay all damages and costs we incur in enforcing provisions of the Franchise Agreement; turn over all manuals, customer lists and other property of ours; turn over all signs to us; sell to us, at our option, any equipment, supplies and other inventory, advertising materials and all items bearing the Marks at fair market value; comply with the covenants not to compete; assign to us any telephone and facsimile numbers along with any Internet and e-mail addresses; sell to us, at our option, the Premises at the appraised value of hard assets.
j. Assignment of contract by us	Section 18.1	There are no restrictions on our right to assign except that the assignee must be financially responsible and economically capable of performing its obligations under the Franchise Agreement and assignee must expressly assume these obligations.
k. "Transfer" by you - definition	Sections 18.3 and 19.1	Covers both transfer of ownership interest and assets, full and partial, voluntary and involuntary.
l. Our approval of transfer by you	Section 18.3	We have the right to approve all of your transfers.
m. Conditions for our approval of transfer	Section 18.4	For changes in internal corporate structures with no change in ultimate ownership and control, you must fully pay all of your money obligations. For other transfers, you must fully pay all of your money obligations, provide us with a written purchase or sale offer, show that transferee is qualified and has a qualified Store Manager, obtain required signatures of transferee, show proper endorsements on transferee books and certificates, sign a general release, pay a transfer fee, and first offer us the right to purchase or broker the sale.

Provision	Section in Franchise or other Agreement	Summary
n. Our right of first refusal to acquire your business	Section 18.4(b)	If you receive an offer to sell your business, we have a 30-day right of first refusal to purchase it. We have a minimum of 60 days to close the sale.
o. Our option to purchase your business	Section 18.6	If you want to offer your business for sale, we have a 30-day first option to purchase it. If we decline, and no offer to purchase by a third party is obtained within 6 months, we have again a first option to purchase. We may also purchase the assets of the Franchised Restaurant within 30 days after expiration or termination of the Franchise Agreement at the fair market value of hard assets.
p. Your death or disability	Section 19	Your heirs, beneficiaries, devisees, or legal representatives can apply to us to continue operation of the Franchised Restaurant, or sell or otherwise transfer your interest in the Franchised Restaurant within 60 days of your death or incapacity. If they fail to do so, the Franchise Agreement will terminate and we will have the option to buy the Franchised Restaurant assets.
q. Non-competition covenants during the term of the franchise	Sections 15.1 and 15.2	Subject to state law, you must not divert or attempt to divert any business or customer to a competitor; perform any act which may harm the goodwill associated with the Marks and the System; employ or seek to employ any person we employ or another franchisee of ours employs or otherwise cause that person to leave his or her employment; or own or otherwise have any interest in any business (including a business you currently operate) specializing wholly or partially, in selling or offering, selling or providing products or services the same as or similar to those offered, sold or provided through the System.

Provision	Section in Franchise or other Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Sections 15.3 and 15.4	Subject to state law, you must not own, operate, or engage in a business specializing in wholly or partially in selling or offering, selling or providing products or services the same as or similar to those offered, sold or provided through the System for 2 years after your Franchise Agreement has expired or has been terminated and for an additional 5 years within a 5 mile radius of the Franchised Restaurant or any other MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant business, whether franchised or Affiliate -owned.
s. Modification of the agreement	Sections 8 and 25	The Franchise Agreement can be changed or modified only by written agreement between you and us. We can modify or change the System through changes in the Manual.
t. Integration/merger clause	Section 25	Only terms of the Franchise Agreement are binding (subject to State law). Any representations or promises outside the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 28	Except for certain claims concerning the confidential information, Copyrighted Works, or the Marks, all disputes must be arbitrated.
v. Choice of forum	Section 27.2	Any action will be brought in the appropriate State or Federal court in Boulder County, or Denver, Colorado (subject to State laws).
w. Choice of law	Section 27.1	Subject to state law, Colorado law applies generally, except for applicable franchise laws of other states and disputes regarding the Mark governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1057 et seq.).

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

AREA DEVELOPMENT AGREEMENT

Provision	Section in Area Development Agreement	Summary
a. Length of the term of the Area Development Agreement	Section 3.1	Date listed in **Exhibit A** or date upon which you open cumulative number of Franchised Restaurants established in **Exhibit A.**
b. Renewal or extension of term	Section 3.2	Upon request from you, we will consider renewals and extensions on a case by case basis.
c. Requirements for you to renew or extend	Section 3.2	See b. above. At a minimum, you must apply to us and fulfill your obligations arising under the Area Development Agreement.
d. Termination by you	Not Applicable	You have no right to terminate the Area Development Agreement.
e. Termination by us without cause	Not Applicable	We have no right to terminate the Area Development Agreement without cause.
f. Termination by us with cause	Section 7	We can terminate only for specific causes. We retain the right to impose less severe sanctions than termination.
g. "Cause" defined - defaults which can be cured	Section 7.2	30 days to discharge any affirmative act of insolvency by you, or the filing by trustee, or an assignment by you for the benefit of creditors.
h. "Cause" defined - defaults which cannot be cured	Section 7.3	Failure to exercise an option prior to the option's expiration date, unauthorized transfer, unauthorized disclosure of Confidential Information, breach of any Franchise Agreement or any other agreement between you, your Owners or any of your Affiliates (as defined in the Area Development Agreement) and us; failure to comply with any other terms and conditions of the Area Development Agreement.
i. Your obligation on termination/non-renewal	Section 9.2	Comply with covenant not-to-compete and all covenants of the individual Franchise Agreements.
j. Assignment of contract by us	Section 8.1	There is no restriction on our right to transfer or assign. Assignee must expressly be able to and assume obligations under the Area Development Agreement.

Provision	Section in Area Development Agreement	Summary
k. "Transfer" by you – definition	Section 8.3	Includes sale, transfer, assignment or other disposition, whether voluntary or involuntary, by operation of law or otherwise, of the agreement or any direct or indirect legal or beneficial ownership interest in you.
l. Our approval of transfer	Sections 8.3 and 8.4	We have the right to approve all transfers by you but will not unreasonably withhold approval if certain conditions are satisfied.
m. Conditions for our approval of transfer	Sections 8.4 and 8.5	If transfer is and internal transfer to a corporation or limited liability company, the corporation or limited liability company must be newly formed for this purpose, you must continue as the majority owner and principal executive, the new entity must assume all of your obligations under the Area Development Agreement, all shareholders or members must guarantee the same obligations, all formation documents and documents of ownership must refer to restrictions on transfers, and you must settle your monetary obligations to us and your suppliers. For a transfer to a third party, the transferee must meet our qualifications, successfully complete the training program and sign the existing Area Development Agreement. You must pay all sums owed to us or Affiliate and sign a general release, as well as pay our then- current transfer fee. You must give us 60 days' written notice before any sale or assignment of the Area Development Agreement and 30 days' written notice of any received offer to buy your interest in the Area Development Agreement. You must give simultaneous written notice to us of any offer you make to sell an interest under the Area Development Agreement.
n. Our right of first refusal	Section 8.4(b)	We can match any bona fide offer for your business within 30 days from delivery of a complete and accurate copy of offer, but we have a minimum of 60 days to close and may convert all considerations to cash. If we approve a sale, but no agreement is reached within 60 days, we have another 30 day-right of first refusal, and so on.

Provision	Section in Area Development Agreement	Summary
o. Our right to purchase your business	Section 8.4(b)	Our right to purchase is the same as our right of first refusal as explained under n. above, as you must first obtain a third party offer to buy.
p. Your death or disability	Not Applicable	
q. Non-competition covenants during the term of the Area Development Agreement	Section 9.2	Subject to state law, you must not divert or attempt to divert any business or customer to a competitor, or perform any act which may harm the goodwill associated with the Marks and the System; employ or seek to employ any person then employed by us or another franchisee of ours or otherwise cause that person to leave his or her employ; or own or otherwise have any interest in any competitive business (including a business you currently operate) specializing in dispensing, promoting or selling prepared food products or services the same as or similar to any product or service provided through the System. You will also be bound by and comply with the covenants in each Franchise Agreement you sign with us. The covenants apply even if you have transferred your interest in the Area Development Agreement.
r. Non-competition covenants after the Area Development Agreement is terminated or expires	Section 9.2	Subject to state law, same as p. above, except that your obligation not to compete only lasts for 2 years within your Designated Territory or 5 years within 5 miles of any MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®
s. Modification of the Area Development Agreement	Sections 9.4 and 15	The Area Development Agreement can be changed or modified only by written agreement between us and you or by notice from us relaxing your obligations.
t. Integration/merger clause	Sections 9.3, 14.3, and 14.4	Only terms of the Area Development Agreement are binding (subject to State law). Any representations or promises outside the disclosure document and Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 19	The Area Development Agreement is subject to arbitration in Boulder County, or Denver, Colorado (subject to state law).

Provision	Section in Area Development Agreement	Summary
v. Choice of forum	Section 18.2	All actions under the Area Development Agreement will be brought in the appropriate state or federal court in Boulder County, or Denver, Colorado (subject to state law).
w. Choice of law	Section 18.1	Colorado law applies to the Area Development Agreement (subject to state law), except that disputes regarding the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec.1051 et seq.).

Please see **Exhibit I** for any state-specific revisions to the tables above.

ITEM 18
PUBLIC FIGURES

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

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 our management by contacting eMax's, LLC, 1350 Pine St. Suite 6, Boulder, CO 80302 (Telephone: (303) 907-7971), the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
Systemwide Outlet Summary For Years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2023	16	17	+1
	2024	17	16	-1
	2025	16	18	+2
Company-owned**	2023	6	7	+1
	2024	7	8	+1
	2025	8	7	-1
Total Outlets* **	**2023**	**22**	**24**	**+2**
	2024	**24**	**24**	**0**
	2025	**24**	**25**	**+1**

*The franchised locations disclosed throughout this ITEM 20 include Canadian locations. In prior Franchise Disclosure Documents, Table No. 1 only included American locations.

**The company-owned locations disclosed in this ITEM 20 are owned and operated by our Affiliates, Max's of Manila, Inc., Rubylin, Inc., and Golden Wings Ventures, Inc. Due to an unintentional oversight, we did not include a company-owned location operated by Max's of Manila, Inc., in Santa Clarita, California, in our 2022 FDD.

***In prior Franchise Disclosure Documents we inadvertently included the one company-owned Sizzlin' Steak outlet operated by our Affiliate, Sizzlin' Steak, Inc., in Glendale, California. The figures above have been revised so as not to include that outlet since it is not substantially similar to the franchised business offered in this Franchise Disclosure Document.

TABLE NO. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For Years 2023 to 2025

State/Country	Year	Number of Transfers
Washington	2023	0
	2024	0
	2025	1
Total – U.S.	2023	0
	2024	0
	2025	1
Canada	2023	0
	2024	0
	2025	0
Total – All	**2023**	**0**
	2024	**0**
	2025	**1**

TABLE NO. 3
Status of Franchised Outlets For Years 2023 to 2025

State/Country	Year	Outlets at Start of Year	Outlets Opened	Termina -tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations -Other Reasons	Outlets at End of Year
California	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Florida	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Guam	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Hawaii	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Illinois	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New Jersey	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

State/Country	Year	Outlets at Start of Year	Outlets Opened	Termina -tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations -Other Reasons	Outlets at End of Year
New York	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Texas	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Virginia	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Washington	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Total – U.S.	**2023**	**11**	**1**	**0**	**0**	**0**	**0**	**12**
	2024	**12**	**1**	**0**	**0**	**0**	**0**	**13**
	2025	**13**	**2**	**0**	**0**	**0**	**0**	**15**
Canada	2023	5	0	0	0	0	0	5
	2024	5	0	0	2	0	0	3
	2025	3	0	0	0	0	0	3
Total – All	**2023**	**16**	**1**	**0**	**0**	**0**	**0**	**17**
	2024	**17**	**1**	**0**	**2**	**0**	**0**	**16**
	2025	**16**	**2**	**0**	**0**	**0**	**0**	**18**

TABLE NO. 4
Status of Company-Owned* Outlets For Years 2023 to 2025

State/Country	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
California**	2023	5	1	0	0	0	6
	2024	6	1	0	0	0	7
	2025	7	0	0	1	0	6
Nevada	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Total**	**2023**	**6**	**1**	**0**	**0**	**0**	**7**
	2024	**7**	**1**	**0**	**0**	**0**	**8**
	2025	**8**	**0**	**0**	**1**	**0**	**7**

*The company-owned locations disclosed in this ITEM 20 are owned and operated by our Affiliates, Max's of Manila, Inc., Rubylin, Inc., and Golden Wings Ventures, Inc. Due to an unintentional oversight, we did not include a company-owned location operated by Max's of Manila, Inc., in Santa Clarita, California, in our 2022 FDD.

**In prior Franchise Disclosure Documents, we inadvertently included the one company-owned Sizzlin' Steak outlet operated by our Affiliate, Sizzlin' Steak, Inc., in Glendale, California. The figures above have been revised so as not to include that outlet since it is not substantially similar to the franchised business offered in this Franchise Disclosure Document.

TABLE NO. 5
Projected Openings as of December 31, 2025

State/Country	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets Opening in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	1	1	0
Nevada	0	0	1
Total	1	1	1

The name, addresses and telephone numbers of our Franchisees and Area Developers and their respective Franchised Restaurants are listed in **Exhibit F**. The locations of our Company-owned and Affiliate-owned Restaurants are listed in **Exhibit G**. The name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of every MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchisee in the U.S. who has had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under their franchise during the most recently completed fiscal year, or has

not communicated with us within 10 weeks of the date of issuance of this Disclosure Document are listed in **Exhibit H**.

If you buy this franchise, your contact information will be disclosed to other buyers when you leave the franchise system. Franchisees have signed confidentiality clauses during the last three years in connection with various transactions. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with eMax's, LLC. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

If we offer to sell any previously-owned Franchised Restaurant that we now own, specific information about that Restaurant will be provided to you in a separate supplement to this Disclosure Document.

No trademark-specific franchisee organization exists that is associated with the franchise system being offered.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as **Exhibit E** are our audited financial statements for the fiscal years ending on December 31, 2025, December 31, 2024, and December 31, 2023.

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Franchise Disclosure Document:

Exhibit C.	Form of Franchise Agreement Attachment B: EFT Authorization
Exhibit D.	Form of Area Development Agreement
Exhibit I.	State Specific Addendum to Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement
Exhibit J.	Statement of Franchisee
Exhibit K.	Form of General Release

ITEM 23
RECEIPTS

The last page of this Disclosure Document, **Exhibit L**, is a detachable Receipt to be signed by you, dated and delivered to us. A copy of the Receipt for your records is also included in **Exhibit L**.

EXHIBIT A:

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

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

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Financial Protection & Innovation One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 1-866-275-2677	California Commissioner of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles 90013-2344 1-866-275-2677
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103 860-240-8230	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	Same
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Commissioner of Securities of the State of Hawaii Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, MI 48913 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, NE 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	Same
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	Same
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Fl. New York, NY 10005 212-416-8222	Secretary of State of New York 99 Washington Avenue Albany, New York 12231
NORTH CAROLINA	Secretary of State's Office/Securities Division 2 South Salisbury Street Raleigh, NC 27601 919-733-3924	Secretary of State Secretary of State's Office Same Address
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140	North Dakota Securities Commissioner Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation Same address
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	Same
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Insurance, Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, SD 57501 605-773-3563	Director of the South Dakota Division of Insurance, Securities Regulation Same Address
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX:801-530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising Tyler Building, 9th Floor 1300 E. Main Street Richmond, VA 23219 804-371-9733	Clerk of the State Corporation Commission Tyler Building, 1st Floor 1300 E. Main Street Richmond, VA 23219 804-371-9051
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8760	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703 608-266-8557	Wisconsin Commissioner of Securities Same Address

EXHIBIT B:

TABLE OF CONTENTS OF FRANCHISE OPERATIONS MANUAL

FRANCHISE OPERATIONS MANUAL
COMPLETE TABLE OF CONTENTS

The following pages show the complete table of contents of the Max's of Manila Franchise Operations Manual.

This Manual is divided into 15 main sections with headings as follows:

Preface..... 1
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EXHIBIT C:

FORM OF FRANCHISE AGREEMENT

eMAX'S, LLC

EXHIBIT C

FRANCHISE AGREEMENT

Franchise #: _____

Franchisee: _____

Date: _____

Location:_____

_____

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ATTACHMENTS:

ATTACHMENT A. INITIAL FRANCHISE FEE, AUTHORIZED LOCATION, DESIGNATED AREA, REQUIRED OPEN DATE, AND LEASE

ATTACHMENT B. EFT AUTHORIZATION

FRANCHISE AGREEMENT

This Franchise Agreement (this "**Agreement**"), made this _____, by and between **eMAX'S, LLC**, a Colorado limited liability company, having its principal place of business at 1350 Pine Street, Suite 6, Boulder, Colorado, 80302 ("**Franchisor**"), and _____, having his/her/its principal place of business at _____ ("**Franchisee**").

WITNESSETH:

WHEREAS, Franchisor is the owner of a unique system ("**System**"), identified by the Marks "**MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®**", "**MAX'S OF MANILA®**", "**MAX'S OF MANILA** and the design**®**" and hereinafter collectively referred to as the marks ("**Marks**"), relating to the establishment, development and operation of (i) a casual, family-oriented restaurant facility providing on-premises dining services, carry-out and delivery service (only with Franchisor's approval), featuring Filipino-style cuisine, including, but not limited to, appetizers, chicken, beef, pork, fish, shrimp, fried rice, noodles, vegetables, and desserts, and other food and beverage products, all prepared in accordance with specified recipes and procedures ("**Menu Items**"); (ii) has developed a proprietary line of specially formulated sauces, spice mixes and other food products ("**Trade Secret Food Products**"); (iii) has developed certain presentation, packaging and marketing standards and techniques for all Menu Items and Trade Secret Food Products; and (iv) may develop certain jackets, T-shirts, hats, other apparel items and licensed merchandise bearing the Marks ("**Trademarked Products**") which may be introduced into System (collectively "**Franchised Restaurant**"); and

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior layout, design and color scheme; exclusively designed signage, decorations, furnishings and materials; special recipes, formulae, menus and food and beverage designations; the MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® Confidential Operations Manual ("**Manual**") including, but not limited to, food and beverage storage, preparation and service procedures and techniques; operating procedures for sanitation and maintenance; and methods and techniques for inventory and cost controls, record keeping and reporting, cashiering, personnel management, purchasing, sales promotion and advertising, and specially designed proprietary Software ("**Proprietary Software**") (if developed); all of which may be changed, improved and further developed by Franchisor from time to time; and

WHEREAS, Franchisor is the owner of the Marks, associated logos, commercial symbols and such other trade names, service marks and trademarks as are now designated (and may hereinafter be designated by Franchisor in writing) as part of the System; and

WHEREAS, Franchisor shall continue to develop, use and control such Marks for the benefit of and use of by itself and its Franchisees in order to identify for the public the source of food products and services marketed there under and to represent the System's high standards of quality regarding Menu Items, operations, food products, ingredients, appearance and service; and

WHEREAS, Franchisor grants to qualified persons Franchises to own and operate Franchised Restaurants offering food products and services authorized and approved by Franchisor

and utilizing the System and Marks, and Franchisee desires to operate a Franchised Restaurant using the System and Marks and has applied for a Franchise, which application has been approved by Franchisor in reliance upon all of the representations made therein; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, operations and customer service and the necessity of operating the Franchised Restaurant in conformity with Franchisor's standards and specifications; and

WHEREAS, the term "**Franchisee**" as used in this Agreement shall include, collectively and individually, all officers, directors and stockholders of a beneficial interest, at any time during the term of this Agreement, of five percent (5%) or more of the securities of Franchisee and of any corporation directly or indirectly controlling Franchisee, if Franchisee is a corporation; the general partners and any limited partner, (including any corporation and the officers, directors, and stockholders of a beneficial interest of five percent (5%) or more of the securities of a corporation which controls, directly or indirectly, any general or limited partner), if Franchisee is a partnership; and the managing member, if Franchisee is a limited liability company; and

WHEREAS, in sections that contain a release or other exculpatory provision or an indemnity in favor of Franchisor, the term "**Franchisor**" as used in this Agreement includes the directors, officers, employees, authorized representatives and agents of Franchisor; and

WHEREAS, the term "**Franchisee**" shall include all persons who succeed to the interest of the original Franchisee by permitted transfer or operation of law and shall be deemed to include not only the individual or entity defined as "**Franchisee**" in the introductory paragraph of this Agreement, but shall also include all partners of the entity that execute this Agreement, in the event said entity is a partnership, all shareholders, officers and directors of the entity that execute this Agreement, in the event said entity is a corporation, and any managing members of a limited liability company of the entity that execute this Agreement, in the event said entity is a limited liability company. If Franchisee is a married couple, both husband and wife executing this Agreement shall be liable for all obligations and duties of Franchisee hereunder as if such spouse were the sole Franchisee hereunder. If Franchisee is a trust, each trustee, grantor, and beneficiary signing this Agreement shall be liable for all of the obligations and duties of Franchisee hereunder. By their signatures hereto, all partners, shareholders, officers and directors of the entity that sign this Agreement as Franchisee acknowledges and accepts the duties and obligations imposed upon each of them, individually, by the terms of this Agreement. All partners of the entity that execute this Agreement, in the event said entity is a partnership, and all shareholders, officers and directors of the entity that execute this Agreement, in the event said entity is a corporation, shall execute the Guaranty and Assumption of Obligations contained herein, pursuant to which all obligations and duties of Franchisee are guaranteed by such individuals. Should Franchisee be in breach or default under this Agreement, Franchisor may proceed directly against each such spouse, partner, proprietor, signatory to this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, partner, proprietor, signatory to this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary. The obligations of Franchisee and each such spouse, partner, proprietor, person executing this Agreement, shareholder, trustee, settlor, and beneficiary shall be joint and several. Notice to or demand on one (1) spouse, partner, proprietor,

person signing this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary shall be deemed notice to or demand upon Franchisee and all such spouses, partners, proprietors, persons signing this Agreement, trustees, settlors, owners, principals, and beneficiaries, and no notice or demand need be made to or upon all such Franchisees, spouses, partners, proprietors, persons executing this Agreement, shareholders, trustees, settlors, owners, principals, or beneficiaries. The cessation of or release from liability of Franchisee or any such spouse, partner, proprietor, person executing this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary shall not relieve any other Franchisee or any such spouse, partner, proprietor, person executing this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary from liability hereunder, except to the extent that the breach or default has been remedied or monies owned have been paid.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other set forth in this Agreement, hereby agree as follows:

1. GRANT OF LICENSE

The following provisions control with respect to the license granted hereunder:

1.1. Authorized Location. Franchisor grants to Franchisee the right and license to establish and operate a Franchised Restaurant as Franchisor may direct, to be located at the site ("**Authorized Location**") specified in **Attachment A**, which must be designated within 6 months from the date of this Agreement. When a location has been designated by Franchisee and approved by Franchisor, it will become part of this Section 1.1 as if originally stated. Franchisee acknowledges and agrees that Franchisor's approval of a site does not constitute a warranty of any kind, express or implied, as to the suitability of the site for Franchisee's Franchised Restaurant. Franchisee acknowledges and agrees that Franchisee's acceptance of a franchise for the operation of a Franchised Restaurant at the Authorized Location is based on Franchisee's own independent investigation. If an Authorized Location is not designated by Franchisee and approved by Franchisor within 6 months from the date of this Agreement, Franchisor has the right to declare this Agreement null and void without the return of any Initial Franchise Fee or other amounts paid to Franchisor. Franchisee accepts the license and undertakes the obligation to operate the Franchised Restaurant at the Authorized Location using the Marks and the System in compliance with the terms and conditions of this Agreement.

1.2. Designated Area. Franchisee must locate and operate the Franchised Restaurant at an Authorized Location within the area described in **Attachment A** ("**Designated Area**"). Franchisor and Franchisor's affiliates will not locate and operate or grant to anyone else a franchise to locate and operate within the Designated Area so long as this Agreement is in effect, except as provided in Section 1.4. Franchisee does not have any right to sublicense or subfranchise within or outside of the Designated Area and does not have the right to operate more than one Franchised Restaurant within the Designated Area.

1.3. Opening. Franchisee agrees that the Franchised Restaurant will be open and operating by the required open date ("**Required Open Date**"). If Franchisee is entering into this Agreement pursuant to an Area Development Agreement executed between Franchisee and Franchisor, the Required Open Date is defined in the Development Schedule. If Franchisee is not

entering this Agreement pursuant to an Area Development Agreement, Franchisee and Franchisor agree that the Required Open Date is as specified in **Attachment A**. If Franchisee fails to have Franchisee's Franchised Restaurant open and in operation according to the provisions of this Section 1.3, Franchisor will have the right to terminate this Agreement without opportunity to cure pursuant to Section 16.1(a).

1.4. Nonexclusivity; Franchisor's Reservation of Rights. The license is limited to the right to develop and operate one Franchised Restaurant at the Authorized Location located in the Designated Area, and does not include (i) any right to sell products and Menu Items identified by the Marks at any location other than the Authorized Location, except for authorized catering and delivery services as noted in Section 1.5, or through any other channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce), (ii) any right to sell products and Menu Items identified by the Marks to any person or entity for resale or further distribution, or (iii) any right to exclude, control or impose conditions on Franchisor's development of future franchised, company or affiliate-owned restaurants at any time outside of the Designated Area. Franchisee acknowledges that the consumer service area or trade area of another MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant may overlap with Franchisee's Designated Area.

(a) Franchisee also acknowledges and agrees that Franchisor and Franchisor's affiliates have the right to operate and franchise others the right to operate restaurants or any other business within and outside the Designated Area under trademarks other than the Marks, without compensation to Franchisee, except that Franchisor's operation of, or association or affiliation with, restaurants (through franchising or otherwise) in the Designated Area that compete with MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants in the casual family-oriented restaurant segment will only occur through some form of merger or acquisition with an existing restaurant chain (except as otherwise provided for in this subparagraph). Outside of the Designated Area, Franchisor and Franchisor's affiliates have the right to grant other franchises or develop and operate company or affiliate-owned MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants and offer, sell or distribute any products or services associated with the System (now or in the future) under the Marks or any other trademarks, service marks or trade names, all without compensation to Franchisee.

(b) Franchisor and Franchisor's affiliates further have the right to offer, sell or distribute, within and outside the Designated Area, through any distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Marks, or any other trademarks, service marks or trade names, except for Prohibited Items (as defined below), through any distribution channels or methods, without compensation to Franchisee. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the Internet (or any other existing or future form of electronic commerce). The "**Prohibited Items**" include the following items that Franchisor will not sell in the Designated Area through other distribution channels or methods: any retail food service Menu Items that are

cooked or prepared to be served to the end user or customer for consumption at the retail location.

(c) Franchisee acknowledges and agrees that certain locations within and outside the Designated Area are by their nature unique and separate in character from sites generally developed as MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurants. As a result, Franchisee agrees that the following locations ("**Special Sites**") are excluded from the Designated Area and Franchisor has the right to develop, license or franchise such locations: (1) military bases; (2) public transportation facilities, including, without limitation, airports and other transportation terminals; (3) sports facilities, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; and (6) community and special events.

1.5. Catering and Delivery. Franchisee may not engage in catering and delivery services and activities within or outside of the Designated Area, unless Franchisor authorizes Franchisee in writing, as further described in Section 24. Franchisor and Franchisor's affiliate companies will not engage in catering and delivery services and activities in the Designated Area; however, Franchisor has no obligation to enforce similar covenants against any other franchisee.

1.6. In consideration of the franchise granted herein, Franchisee must pay to Franchisor an initial franchise fee ("**Initial Franchise Fee**") equal to the amount set forth in **Attachment A**. Franchisee must pay to Franchisor one-half (1/2) of the Initial Franchisee Fee upon signing this Agreement and the remaining one-half (1/2) of the Initial Franchisee Fee no later than 10 days prior to opening of the Franchised Restaurant. Said amount shall be deemed fully earned and non-refundable upon receipt by Franchisor as consideration for expenses incurred by Franchisor in furnishing operational assistance, training and services to Franchisee and for Franchisor's lost or deferred opportunity to franchise other Franchised Restaurants, except as may be otherwise specifically provided in this Agreement.

1.7. Franchisee acknowledges that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any System of a Franchisee based upon the peculiarities of the particular site or circumstances, density of population, business potential, population of trade area, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such Franchisee's business. Franchisee shall not be entitled to require Franchisor to grant to Franchisee a like or similar variation hereunder.

1.8. Franchisee shall at all times use its best efforts to promote and increase the sales and service of Menu Items and to effect the widest and best possible distribution through the Franchised Restaurant, soliciting and servicing all potential customers for MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® food products and services. Failure of Franchisee to devote its best efforts to adequately represent its Franchised Restaurant through its sales and service efforts shall be deemed just cause for termination as provided in Section 16.3 of this Agreement.

2. TERM AND RENEWAL

2.1. This Agreement shall be effective and binding upon signing hereof but the initial term of 5 years, or term of lease, if longer, but no more than 10 years, shall begin on the date the Franchisee obtains the occupancy permit for the Franchised Restaurant or on the 180th day from the date of this Agreement, whichever comes earlier.

2.2. Franchisee shall have the right to renew this franchise before the expiration of the initial term of the franchise for up to 20 years total (including the initial term) on separate terms equal to either 5 years each or the term of the lease, if longer than 5 years, but not more than 10 years, each, providing all the conditions hereinafter set forth have been fulfilled:

(a) Franchisee has, during the entire term of this Agreement, complied with all its provisions;

(b) Franchisee maintains possession of the Franchised Restaurant and before the expiration date of this Agreement has brought the Franchised Restaurant into full compliance with the specifications and standards then applicable for new or renewing Franchised Restaurants and presents evidence satisfactory to Franchisor that it has the right to remain in possession of the premises ("**Premises**") for the duration of any renewal term; or, in the event Franchisee is unable to maintain possession of the Premises, or if, in the judgment of Franchisor, the Premises should be relocated, Franchisee secures substitute premises approved by Franchisor and has furnished, stocked and equipped such premises to bring the Franchised Restaurant at its substituted premises into full compliance with the then-current specifications and standards before the expiration date of this Agreement;

(c) Franchisee has given notice of renewal to Franchisor as provided hereinafter;

(d) Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor and has timely met these obligations throughout the term of this Agreement;

(e) Franchisee has executed upon renewal Franchisor's then-current form of the Franchise Agreement, (with appropriate modifications to reflect the fact that the Franchise Agreement relates to the grant of a renewal Franchise), which Franchise Agreement shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement including, without limitation, a different percentage Continuing Services and Royalty Fee ("**Royalty Fee**") and advertising contribution (should one be established); provided, however, Franchisee shall not be required to pay the then-current Initial Franchise Fee or its equivalent;

(f) Franchisee has complied with Franchisor's then-current qualification and training requirements;

(g) Franchisee has executed a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor, and its affiliates, subsidiaries and parent and its respective officers, directors, agents, shareholders and employees; and

(h) Franchisee has paid to Franchisor a successor franchise fee in the amount of Seven Thousand Five Hundred Dollars ($7,500).

2.3. If Franchisee desires to renew this franchise before the expiration of this Agreement, Franchisee shall give Franchisor written notice of its desire to renew at least 9 months, but not more than 12 months, prior to the expiration of the initial term of this Agreement. Within 60 days after its receipt of such timely notice, Franchisor shall furnish Franchisee with written notice of: (i) reasons which could cause Franchisor not to grant a renewal to Franchisee including, but not limited to, any deficiencies which require correction and a schedule for correction thereof by Franchisee; and (ii) Franchisor's then-current requirements relating to the image, appearance, decoration, furnishing, equipping and stocking of Franchised Restaurants, and a schedule for effecting upgrading or modifications in order to bring the Franchised Restaurant in compliance therewith, as a condition of renewal. Renewal of the franchise shall be conditioned upon Franchisee's compliance with such requirements and continued compliance with all the terms and conditions of this Agreement up to the date of termination of the initial term.

3. RESTAURANT LOCATION

3.1. Franchisee shall operate the Franchised Restaurant only at the Authorized Location specified in Section 1.1. If the lease for the site of the Franchised Restaurant expires, terminates, or is defaulted, or if the site is destroyed, condemned or otherwise rendered unusable, or as otherwise may be agreed upon in writing by Franchisor and Franchisee, Franchisor shall grant permission, in writing, for relocation of the Franchised Restaurant at a location and site acceptable to Franchisor. Any such relocation shall be at Franchisee's sole expense and Franchisor shall have the right to charge Franchisee for any and all reasonable costs incurred by Franchisor, in respect of and in considering whether to approve such relocation, but not to exceed $10,000.

3.2. If the location of the Franchised Restaurant is not designated in Section 1.1, Franchisor shall use reasonable efforts to help analyze Franchisee's market area, to help determine site feasibility, and to assist in the designation of the location, which must be approved by Franchisor; provided however, that Franchisor shall not conduct site selection activities on Franchisee's behalf. Although Franchisor shall utilize its experience and expertise in a designation of location, nothing contained herein shall be interpreted as a guarantee of success for said location; nor shall any site recommendation or approval made by Franchisor be deemed a representation that any particular site is available for use as a Franchised Restaurant. It shall be the sole responsibility of Franchisee to undertake site selection activities and otherwise secure Premises for the Franchised Restaurant.

3.3. Prior to the acquisition by lease or purchase of any site for the Premises of the Franchised Restaurant, Franchisee shall submit a description of the proposed site to Franchisor, together with a letter of intent or other evidence satisfactory to Franchisor. Franchisor, at its option, may visit the proposed site and shall approve or disapprove such proposed site in the exercise of its sole discretion and so advise Franchisee in writing within 30 business days after receiving Franchisee's written proposal. Additional visits and assistance shall be provided at Franchisee's request, and at Franchisor's option, at the then-current per diem fee charged by Franchisor as published in the Manual.

3.4. After receiving Franchisor's written approval of the location of the Franchised Restaurant as provided in Section 3.3 hereof, Franchisee shall, subject to the prior approval of terms by Franchisor, execute a lease (if the Premises are to be leased) or a binding agreement to purchase the site. Franchisor's approval of the lease or purchase agreement shall be conditioned upon inclusion in the lease of terms acceptable to Franchisor, and at Franchisor's option, the lease shall contain such provisions including, but not limited to:

(a) A provision which requires the lessor concurrently to provide Franchisor with a copy of any written notice of deficiency under the lease sent to Franchisee and which grants to Franchisor, in its sole discretion, the right (but not obligation) to cure any deficiency under the lease within 15 business days after the expiration of the period in which Franchisee had to cure any such default should Franchisee fail do so;

(b) A provision which evidences the right of Franchisee to display the Marks in accordance with the specifications required by the Manual, subject to the provisions of applicable laws; and

(c) A provision that the Premises be used exclusively for the operation of a Franchised Restaurant.

3.5. In the event no acceptable site is found and approved by the parties within 6 months from the date of this Agreement then, and in that event, upon written application from either party, this contract shall be terminated and the Franchisee shall compensate Franchisor for Franchisor's expenses incurred in providing assistance to Franchisee with respect to finding and approving this site, for the then-current per diem fee charged by Franchisor as published in the Manual, and for all other administrative and legal costs, expenses and fees incurred by Franchisor in respect of Franchisee's involvement with Franchisor as it relates to the purchase of a Franchised Restaurant.

3.6. Franchisee shall promptly ("**promptly**" herein defined for this entire Agreement as within 30 days), after obtaining possession of the site for the Franchised Restaurant: (i) cause to be prepared and submit for approval by Franchisor a site survey and any modifications to Franchisor's basic architectural plans and specifications (not for construction) for the development of a Franchised Restaurant (including requirements for dimensions, exterior design, materials, interior design and layout, equipment, fixtures, furniture, signs and decoration) at the site leased or purchased therefore, provided that Franchisee may modify Franchisor's basic plans and specifications only to the extent required to comply with all applicable ordinances, building codes and permit requirements and with prior notification to and approval by Franchisor; (ii) obtain all required zoning changes, building, utility, health, sanitation and sign permits and licenses and any other required permits and licenses, including but not limited to a liquor license; (iii) purchase or lease equipment, fixtures, furniture and signs as provided herein; (iv) complete the construction and/or remodeling, equipment, fixtures, furniture and sign installation and decorating of the Franchised Restaurant in full and strict compliance with plans and specifications therefore approved by Franchisor and all applicable ordinances, building codes and permit requirements; (v) obtain all customary contractors' sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services; and (vi) otherwise complete development of and have the Franchised Restaurant ready to open and commence the conduct of its business in accordance with Section 12.2 hereof.

3.7. In addition to Franchisees requirement to maintain Premises under Section 12.3 of this Agreement, Franchisee shall be required to periodically make reasonable capital expenditures, to remodel, modernize and redecorate the Premises so that the Franchised Restaurant shall reflect the then-current image intended to be portrayed by a Franchised Restaurant. All remodeling, modernization or redecoration of the premises of the Franchised Restaurant must be done in accordance with the standards and specifications as prescribed by Franchisor from time to time and with the prior written approval of Franchisor. Unless otherwise required by the lease or the landlord for the Premises of the Franchised Restaurant, all replacements must conform to Franchisor's then-current quality standards and specifications and must be approved by Franchisor in writing. Franchisee shall not be required to remodel, modernize and redecorate the Franchised Restaurant and its premises more than once during any term of this Agreement or be required to incur expenditures in excess of $25,000 which amount shall be subject to any annual increases in the Consumer Price Index ("**CPI**"); provided, however, that no expenditures shall be required during the first year of any term, and expenditures shall be required during the last year of any term only as a condition of renewal of this Agreement. Franchisee acknowledges that maintenance of the Premises and modifying or replacing equipment may exceed this amount, and maintenance costs and equipment costs may not be credited to remodeling, modernization or redecoration expenditures.

4. TRAINING AND ASSISTANCE

4.1. Prior to Franchisee's commencement of operations, Franchisor shall make an initial training program available to Franchisee and Franchisee's management team. For a flagship format or fast casual format Franchised Restaurant, the training program in its entirety shall be approximately 4 weeks in duration. For a TO GO format Franchised Restaurant, the training program in its entirety shall be approximately 2 weeks in duration. Franchisee or its business partner is required to attend and successfully complete the training program. The training program shall be conducted at locations to be designated by Franchisor from time to time. Said program may include both classroom training and on-the-job training at a MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant (franchised-owned, company-owned, or affiliate-owned) and shall cover material aspects of the operation of a Franchised Restaurant, including, but not limited to, familiarization and appreciation of the MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® brand, financial controls; general bookkeeping procedures; service and operational techniques; familiarization with recipes and cooking procedures; marketing and advertising techniques; sanitation and maintenance procedures; deployment of labor; maintenance of quality standards and an understanding of the Manual. A minimum of 4 employees (other than the Franchisee or its business partner), including Franchisee's Store Manager, shall also be required to attend and successfully complete the training program as designated by the Franchisor. All expenses incurred by Franchisee and its employees in attending such program including, without limitation, travel costs, room and board expenses and employee's salaries, shall be the sole responsibility of Franchisee.

After Franchisee and Franchisee's management team have attended and successfully completed the training program as designated by the Franchisor, Franchisor will furnish to Franchisee, free of charge, at the Premises, one or more trainers for the purpose of assisting in the opening of the Franchised Restaurant ("**Opening Team**"). If this is Franchisee's first Franchised Restaurant, the Opening Team will consist of two to four trainers who will likely be onsite for

approximately two to three weeks, depending on the format of the Franchised Restaurant. If this is Franchisee's second or any subsequent Franchised Restaurant, the Opening Team will consist of one to two trainers who will likely be onsite for approximately one week. During this period, the Opening Team shall assist Franchisee and its employees in performing standard procedures and techniques essential to the operation of a Franchised Restaurant. All expenses incurred by Franchisee and its employees in attending any such on-site training and assistance including, without limitation, travel costs, room and board expenses and employee's salaries, shall be the sole responsibility of Franchisee.

Franchisee may request additional training and assistance from the Opening Team, and if Franchisor, at its sole discretion, deems it necessary, feasible and appropriate, Franchisor may comply with the request at Franchisee's expense. Franchisee shall pay to Franchisor the then-current per-diem fee charged by Franchisor (as set forth in the Manual) for each member of the Opening Team plus any additional expenses relating to such request, which may include, but is not limited to, transportation and room and board for the Opening Team members.

4.2. If Franchisor determines, in its sole discretion, that Franchisee and Franchisee's management team is unable to satisfactorily complete any phase of the training program, Franchisor shall have the right to: (i) require Franchisee to attend such additional training so as to demonstrate Franchisee's ability to operate the Franchised Restaurant to Franchisor's satisfaction, at Franchisee's expense; (ii) require Franchisee or a newly approved designee of Franchisee to complete the training program subject to Franchisor's then-current training program; or (iii) terminate the Agreement in the manner herein provided. If this Agreement is terminated pursuant to this Section 4, Franchisee shall be liable to Franchisor for the expenses incurred by Franchisor as of such date for providing site selection and market assessment assistance, and training to Franchisee and other expenses incurred by Franchisor including then-current per diem fee charged by Franchisor as published in the Manual, legal fees and administrative costs. Franchisor and its affiliates, subsidiaries and parent companies and their respective directors, officers, shareholders and agents shall be fully and forever released from any claims or causes of action Franchisee and its directors, officers, shareholders and agents may have under or pursuant to this Agreement and Franchisee shall have no further right, title or interest in the Marks, and any such rights shall automatically revert to Franchisor.

4.3. Franchisor from time to time may provide and, if it does, may require that previously-trained and experienced Franchisees attend and successfully complete refresher training programs or seminars to be conducted at such location as may be designated by Franchisor. Attendance at such refresher training programs or seminars shall be at Franchisee's sole expense and will not be required more than 2 times per year and will not last more than 2 days each time. All expenses incurred by Franchisee and its employees in attending such program including, without limitation, travel costs, room and board expenses and employee's per diems, shall be the sole responsibility of Franchisee.

4.4. If Franchisee designates new or additional Store Managers (as defined below) and employees after the initial training program, Franchisor shall provide training to such Store Managers and employees at the then-current published rates and all travel and living expenses shall be Franchisee's sole responsibility. If your Store Manager's employment with you is terminated, you must designate a new Store Manager who must successfully complete our initial

training program within 90 days after the termination of the initial Store Manager, unless we do not hold an initial training program during that 90-day period, in which case the replacement Store Manager must attend and successfully complete the first available initial training program held by us.

4.5. Franchisee shall bear all costs incurred by Franchisee's employees attending such training program, including, without limitation, travel costs, room and board expenses and employee's salaries.

4.6. Franchisee shall be required to conduct regular training for its in-house employees based on information or training plans supplied by the Franchisor from time to time.

5. PROPRIETARY MARKS

5.1. Franchisor is owner of the Marks and Franchisee acknowledges that Franchisee's right to use the Marks 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 which does not constitute an infringement of the rights of Franchisor in and to the Marks. Franchisee acknowledges that all usage of the Marks by Franchisee and any goodwill established by Franchisee's use of the Marks shall inure to the exclusive benefit of Franchisor, and that this Agreement does not confer any goodwill or other interests in the Marks upon Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of the Marks. All provisions of this Agreement applicable to the Marks apply to any and all additional trademarks, service marks and commercial symbols authorized for use by and licensed to Franchisee by Franchisor after the date of this Agreement.

5.2. Franchise shall not use any Mark or portion of any Mark as part of a corporate or trade name, or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law.

5.3. Franchisee shall promptly notify Franchisor of any claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use the Marks or any colorable imitation thereof. Franchisee shall also notify Franchisor of any action, claim or demand against Franchisee relating to the Marks within 10 days after Franchisee receives notice of said action, claim or demand. Upon receipt of timely notice of an action, claim or demand against Franchisee relating to the Marks, Franchisor shall have the sole right, but not the duty, to defend any such action. Franchisor shall have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the Marks and shall exercise such right in Franchisor's sole discretion. In any defense or prosecution of any litigation relating to the Marks or components of the System undertaken by Franchisor, Franchisee shall cooperate with Franchisor and execute any and all documents and take all actions as may be desirable or necessary in the opinion of Franchisor's counsel, to carry out such defense or prosecution. Both parties shall

make every effort consistent with the foregoing to protect, maintain and promote the Marks as identifying the System and only the System. FRANCHISOR MAKES NO EXPRESSED OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF THE MARKS.

5.4. If it becomes advisable at any time, in Franchisor's sole discretion, for Franchisor to modify or discontinue use of any Mark, and/or use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor; Franchisor shall have no liability or obligation whatsoever with respect to Franchisee's modification or discontinuance of any Mark.

5.5. In order to preserve the validity and integrity of the Marks and copyrighted material licensed herein and to assure that Franchisee is properly employing the same in the operation of its Franchised Restaurant, Franchisor or its agents shall have the right of entry and inspection of Franchisee's Premises and operating procedures at all reasonable times. Franchisor shall have the right to observe the manner in which Franchisee is rendering its MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® services and conducting its operations, to confer with Franchisee's employees and customers, and to select Menu Items, the Trade Secret Food Products (if developed), ingredients, food and non-food products, beverages and other items, products and supplies for test of content and evaluation purposes to make certain that the Menu Items, the Trade Secret Food Products (if developed), ingredients, food and non-food products, beverages and other items, products, materials and supplies are satisfactorily and meet the quality control provisions and performance standards established by Franchisor.

5.6. Franchisee shall not establish a Web site on the Internet using any domain name containing the words "MAX'S OF MANILA", any of the other Marks or any variation thereof. Franchisor retains the sole right to advertise on the Internet and create a website using the Marks or any variation thereof. Franchisee acknowledges that Franchisor is the owner of all right, title and interest in and to such domain names as Franchisor shall designate in the Manual.

6. CONFIDENTIAL OPERATIONS MANUAL

6.1. Franchisor shall loan to Franchisee during the term of the franchise one copy of the Manual containing reasonable, mandatory and suggested specifications, standards, operating procedures and rules prescribed from time to time by Franchisor for Franchised Restaurants and information relative to other obligations of Franchisee hereunder. Franchisor shall have the right to add to and otherwise modify the Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor to Franchised Restaurants, provided that no such addition or modification shall alter Franchisee's fundamental status and rights under this Agreement.

6.2. The manual shall at all times remain the sole property of Franchisor and shall promptly be returned upon the expiration or other termination of this Agreement. At no time shall Franchisee or its employees make copies or reproduction of all or part of the Manual.

6.3. The Manual contains proprietary information of Franchisor and shall be kept strictly and absolutely confidential by Franchisee both during the term of the franchise and subsequent to the expiration and/or termination of the Franchise. Franchisee shall at all times ensure that its copy of the Manual be available at the Premises of the Franchised Restaurant in a current and up-to-date manner. At all times that the Manual is not in use by authorized personnel, Franchisee shall maintain the Manual in a locked receptacle at the Premises of the Franchised Restaurant, and shall only grant authorized personnel, as defined in the Manual, access to the key or lock combination of such receptacle. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by Franchisor at Franchisor's home office shall be controlling.

7. CONFIDENTIAL INFORMATION

7.1. Franchisee acknowledges that its entire knowledge of the operation of a Franchised Restaurant including, without limitation, the method of preparation of Menu Items, Trade Secret Food Products and other food products, and other specifications, product formulae, standards and operating procedures of a Franchised Restaurant, as well as all provisions herein, is derived from information disclosed to Franchisee by Franchisor and that such information is proprietary, confidential and the trade secret of Franchisor. In addition, any improvements developed by Franchisee pursuant to Franchisee's operation of the Franchised Restaurant shall constitute proprietary information of Franchisor. "**Trade Secrets**" refer to the whole or any portion of know-how, knowledge, methods, recipes, formulae, specifications, processes, procedures and/or improvements regarding the Franchised Restaurant and the System that is valuable and secret in the sense that it is not generally known to competitors of Franchisor. Franchisee shall maintain the absolute confidentiality of all such information during and after the term of the franchise and that Franchisee shall not use any such information in any other business or in any manner not specifically authorized or approved in writing by Franchisor.

7.2. Franchisee shall divulge such confidential information only to the extent and only to such of its employees as must have access to it in order to operate the Franchised Restaurant. Any and all information, knowledge and know-how including, without limitation, drawings, materials, equipment, techniques, restaurant systems, product formulae, recipes and other data which Franchisor designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate lawfully came to its attention prior to disclosure thereof by Franchisor or which, at the time of disclosure by Franchisor to Franchisee, had lawfully become a part of the public domain, through publication or communication by others; or which, after disclosure to Franchisee by Franchisor, lawfully becomes a part of the public domain, through publication or communication by others.

7.3. Due to the special and unique nature of the Trade Secrets, confidential information, Marks, and Manual of Franchisor, Franchisee hereby acknowledges that Franchisor shall be entitled to immediate equitable remedies including, but not limited to, restraining orders and injunctive relief in order to safeguard such proprietary, confidential, unique and special information of Franchisor and that money damages alone would be an insufficient remedy with which to compensate Franchisor for any breach of the terms of Sections 5, 6, and 7 of this Agreement. All owners, directors, shareholders, partners and employees of Franchisee having

access to the confidential and proprietary information of Franchisor shall be required to execute non-disclosure agreements in the form acceptable to Franchisor.

7.4. Franchisee and Franchisor acknowledge and agree, as follows:

(a) Franchisor may authorize Franchisee to use certain copyrighted or copyrightable works ("**Copyrighted Works**");

(b) The Copyrighted Works are the valuable property of Franchisor, its parent companies, subsidiaries or affiliates; and

(c) Franchisee's rights to use the Copyrighted Works are granted to Franchisee solely on the condition that Franchisee complies with the terms of this Section 7.

7.5. Franchisee acknowledges and agrees that Franchisor owns or is the licensee of the owner of the Copyrighted Works and shall further create, acquire or obtain licenses for certain copyrights in various works of authorship used in connection with the operation of Franchised Restaurants including, but not limited to, all categories of works eligible for protection under the U.S. copyright law, all of which shall be deemed to be Copyrighted Works under this Agreement. Such Copyrighted Works include, but are not limited to, the Manuals, advertisements, promotional materials, posters and signs and may include all or part of the Marks, Proprietary Software, trade names and other portions of the System. Franchisor intends that all works of authorship related to the System that are created in the future shall be owned by it or its affiliates.

7.6. If Franchisee develops any new program, project, work of art or other material in the course of operating its Franchised Restaurant and Franchisor approves the use and sale of this service or product in the Franchised Restaurant, this new program, project, work of art or other material shall automatically become the property of Franchisor as though Franchisor had developed the program, project, work of art or other material itself. Franchisee shall have each of Franchisee's employees sign an agreement requiring employee cooperation with the foregoing requirements in a form acceptable to Franchisor.

7.7. Franchisee shall promptly notify Franchisor of any unauthorized use of or claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use the confidential information or Copyrighted Works. Franchisee shall also notify Franchisor of any claim or demand against Franchisee relating to the confidential information or Copyrighted Works within 10 days after Franchisee receives notice of said claim or demand. Upon receipt of timely notice of an action, claim or demand against Franchisee relating to the confidential information or Copyrighted Works, Franchisor shall have the sole right, but not the duty, to defend any such action. Franchisor shall have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the confidential information or Copyrighted Works and shall exercise such right in Franchisor's sole discretion. In any defense or prosecution of any litigation relating to the confidential information or Copyrighted Works, Franchisee shall cooperate with Franchisor and execute any and all documents and take all actions as may be desirable or necessary in the opinion of Franchisor's counsel, to carry out such defense or prosecution. Both parties shall make every effort consistent with the foregoing to protect, maintain and promote the confidentiality of the information and integrity of the Copyrighted

Works. FRANCHISOR MAKES NO EXPRESSED OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF CONFIDENTIAL INFORMATION OR COPYRIGHTED WORKS.

8. MODIFICATION OF THE SYSTEM

8.1. In addition to the changes that may be required under Section 3.7 of this Agreement, Franchisee acknowledges that from time to time hereafter, Franchisor may change or modify the System presently identified by the Marks including, without limitation, the adoption and use of new or modified trade names, trademarks, service marks or Copyrighted Works, new Menu Items, new products, new equipment or new techniques and such modifications shall be communicated to Franchisee through the Manual. Franchisee shall accept, use and display for the purpose of this Agreement any such changes in the System, as if they were part of this Agreement at the time of execution hereof. Franchisee shall make such expenditures as are required by such changes or modifications in the System. Franchisee shall not be required to make modifications to the Franchised Restaurant System during the any term of this Agreement requiring expenditures in excess of $50,000, which amount shall be subject to any annual increases in the Consumer Price Index ("**CPI**"); provided, however, that no expenditures shall be required during the first year of any term, and expenditures shall be required during the last year of any term, only as a condition of renewal of this Agreement.

9. ADVERTISING

Recognizing the value of advertising and the importance of the standardization of advertising and promotion to the furtherance of the goodwill and the public image of Franchised Restaurants, Franchisee agrees as follows:

9.1. Franchisee shall submit to Franchisor (or an agent or representative approved by Franchisor in writing), for its prior approval, all promotional materials and advertising to be used by Franchisee including, but not limited to, newspapers, radio and television advertising, specialty and novelty items, signs and containers. Failure by Franchisee to conform with the provisions herein and subsequent non-action by Franchisor to require Franchisee to cure or remedy this failure and default shall not be deemed a waiver of future or additional failures and defaults of any other provisions of this Agreement.

9.2. Franchisee shall conduct grand opening advertising in accordance with the Manual. Franchisor may establish additional guidelines for grand opening advertising and in such event shall provide such guidelines to Franchisee prior to or during the initial training program.

9.3. Franchisor administers an advertising and development fund ("**Advertising Fund**"). Franchisee shall contribute to the Advertising Fund at the same rate as any other existing or future MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchises, currently three quarters of one percent (.75%) of Net Sales, not to exceed three percent (3.0%) of Net Sales. Franchisor will provide Franchisee with 30 days notice before requiring Franchisee's initial contribution to the Advertising Fund. Franchisee's required payments to the Advertising Fund shall be made at the same time, in the same manner as, and in addition to, the Royalty Fee provided in Section 10.1 herein. Such payment shall be made in addition to and exclusive of any sums that

Franchisee may be required to spend on cooperative and local advertising and promotion conducted independently. The Advertising Fund, if established, shall be maintained and administered by Franchisor or its designee, as follows:

(a) Franchisor shall direct all advertising programs with sole discretion over the creative concepts, materials and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Advertising Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System and that Franchisor and its designee undertake no obligation in administering the Advertising Fund to make expenditures for Franchisee which are equivalent or proportionate to its contribution, or to ensure that any particular Franchisee benefits directly pro rata from the placement of advertising or the Advertising Fund;

(b) The Advertising Fund may be used to meet any and all costs of maintaining, administering, directing, producing and preparing promotions and advertising (including, without limitation, the cost of conducting public relations activities, conducting advertising; and producing promotional brochures and other marketing materials to Franchisees in the System). All sums paid by Franchisee to the Advertising Fund shall be maintained in a separate account from the other funds of Franchisor and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the Advertising Fund and advertising programs including, without limitation, modifying and updating Franchisor's website, conducting market research, preparing marketing and advertising materials and collecting and accounting for assessments for the Advertising Fund and as otherwise contemplated herein;

(c) It is anticipated that all contributions to the Advertising Fund shall be expended for advertising and promotional purposes during Franchisor's fiscal year within which contributions are made. If, however, excess amounts remain in the Advertising Fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of any current interest or other earnings of the Advertising Fund, next out of any accumulated earnings, and finally from principal;

(d) Although Franchisor intends the Advertising Fund to be of perpetual duration, Franchisor maintains the right to terminate the Advertising Fund at any time. The Advertising Fund shall not be terminated, however, until all monies in the advertising Fund have been expended for advertising and promotional purposes;

(e) The accounting/financial statement must, upon request, be made available every year to Franchisee. Franchisor reserves the right, at its option, to require that such annual accounting include an audit of the operation of the Advertising Fund prepared by an independent Certified Public Accountant selected by Franchisor and prepared at the expense of the Advertising Fund; and

(f) For each restaurant operated by Franchisor or any parent company, subsidiary or affiliate of Franchisor offering products and services similar to the Franchised Restaurant, such restaurant shall make contributions to the Advertising Fund at the

equivalent rate of percentage of Net Sales (as defined below) to the contributions and in the identical manner required of Franchised Restaurants with the System.

9.4. Franchisee shall spend on local and cooperative advertising and promotion, an amount of one percent (1%), not to exceed three percent (3%) of Franchisee's Net Sales each month. Franchisor decides how much to spend on each:

(a) Local expenditures shall be made directly by Franchisee as required by Franchisor in the Manual, subject to approval and direction by Franchisor or Franchisor's designated advertising agency. Within 30 days of the end of each calendar month, Franchisee shall furnish to Franchisor, in a manner approved by Franchisor, an accurate accounting of Franchisee's expenditures on local advertising and promotion for the preceding calendar month just ended. Franchisor shall provide guidelines for local advertising and any deviation from such guidelines requires the prior approval of Franchisor.

(b) From time to time Franchisor may designate a local or regional "**Advertising Coverage Area**" in which Franchisee's restaurant and at least one other Franchised Restaurant is located for purposes of developing a cooperative local, regional or national advertising or promotional program. The Advertising Coverage Area shall be defined as the area covered by the particular advertising medium (television, radio or other medium) as recognized in the industry. Franchisee agrees to participate in and contribute its share to such cooperative advertising and promotional programs in Franchisee's Advertising Coverage Area in addition to such contributions and expenditures as required pursuant to Section 9.3.

(c) Franchisor may establish regional advertising councils to administer the cooperative advertising program that shall be comprised of Franchisor, Franchisees in the advertising coverage area and Franchisor-owned or affiliate-owned restaurants. At the time a program is established, Franchisor shall submit a list to Franchisee of all operating Franchised Restaurants within the Advertising Coverage Area.

9.5. Franchisee shall maintain at its own cost a listing in boldface type in the white pages of the local telephone directory and advertise continuously in the classified or Yellow Pages of the local telephone directory and any trade directories and online directories as required by Franchisor. Franchisee shall maintain at its own cost a Yellow Pages listing in boldface type under the listing "Restaurants" and such other listings of the size and type deemed appropriate by Franchisor. When more than one Franchised Restaurant serves a metropolitan area, classified advertisements shall list all Franchised Restaurants operating within the distribution area of such classified directories, and Franchisee shall contribute its equal share, defined as each unit paying an equal amount, in the cost of such advertisement in a manner to be determined from time to time by Franchisor. Required expenditures on Yellow Pages advertising pursuant to this Section 9.5 are offset against the local and cooperative advertising and promotion requirements under Section 9.4.

9.6. Franchisee shall not advertise or use in advertising or any other form of promotion, the copyrighted materials, trademarks, service marks or commercial symbols of Franchisor without the appropriate © or ® registration marks or the designation TM or SM where applicable.

Franchisee may not market or advertise in violation of federal laws regulating advertising, such as the CAN-SPAM Act and the Telephone Consumer Protection Act ("**TCPA**"), and state advertising laws applicable to the Franchised Restaurant.

10. CONTINUING SERVICES AND ROYALTY FEE

10.1. Franchisee shall pay without offset, credit or deduction of any nature, to Franchisor, so long as this Agreement shall be in effect, a Royalty Fee equal to five percent (5%) of the Net Sales derived from the Franchised Restaurant. The Royalty Fee shall be paid to Franchisor monthly via electronic funds transfer ("**EFT**") or other similar means or as otherwise prescribed in the Manual. Franchisor reserves the right to collect the Royalty Fee more frequently via EFT, sweep account or other means, upon 30 days prior written notice. The EFT Authorization is attached hereto as **Attachment B**. Franchisee agrees to comply with procedures specified by the Franchisor and/or perform such acts and deliver and execute such documents, including authorization for direct debits from the bank operating account of the Franchised Restaurant, as may be necessary to assist in or accomplish payment by such method. Under this procedure Franchisee shall authorize Franchisor to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to Franchisor and any interest charged due thereon.

(a) Each month in the manner prescribed by Franchisor in the Manual, Franchisee shall submit to Franchisor, on a form approved by Franchisor, a correct statement, signed by Franchisee, of Franchisee's Net Sales for the preceding month. Each monthly statement of Net Sales shall be accompanied by the Royalty Fee and Advertising Fund payments based on the Net Sales reported in the statement so submitted. Franchisee shall make available to Franchisor all original books and records that Franchisor may deem necessary to ascertain Franchisee's Net Sales for reasonable inspection at reasonable times. If Franchisor elects to collect the Royalty Fees and Advertising Fund payments more frequently, the new manner of collection will be described in the Manual and provided to Franchisee upon 30 days prior written notice to Franchisee.

(b) The term "**Net Sales**," as used herein and throughout this Agreement, shall mean and include the sum ("**Sum**") of all revenues and income from the sale of all Menu Items, Trade Secret Food Products, Trademarked Products, other food products, suppliers' rebates, entertainment for which a cover charge is made, beverages, other related merchandise, products and services to customers of Franchisee, or any other source, whether or not sold or performed at or from the Franchised Restaurant and whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received therefore) or otherwise. There shall be deducted from the Sum for purposes of said computation (but only to the extent they have been included) the amount of all sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if such taxes are separately stated when the customer is charged and if such taxes are paid to the appropriate taxing authority. There shall be further deducted from the Sum the amount of any documented refunds, chargebacks, credits and allowances given in good faith to customers by Franchisee. All barter and/or exchange transactions pursuant to which Franchisee furnishes services and/or products in exchange for goods or services to be provided to Franchisee by a vendor, supplier or customer shall be valued at the full retail

value of the goods and/or services so provided to Franchisee. Net sales shall equal the Sum less the above-mentioned deductions.

10.2. All Royalty Fees, Advertising Fund payments, amounts due to purchases by Franchisee from Franchisor, and other amounts which Franchisee owes to Franchisor shall bear interest at the maximum rate permitted by law, or if no maximum is prescribed, at the rate of interest of two percent (2%) per month. Franchisee acknowledges that this Section 10 shall not constitute agreement by Franchisor to accept such payments after same are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of, the Franchised Restaurant. Franchisee further acknowledges that its failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided in Section 16 hereof, notwithstanding the provisions of this Section 10.

10.3. Notwithstanding any designation by Franchisee, Franchisor shall have the sole discretion to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Advertising Fund payments, purchases from Franchisor, interest or any other indebtedness.

10.4. All Royalty Fees, Advertising Fund payments, amounts due for purchases by Franchisee from Franchisor and other amounts which Franchisee owes to Franchisor shall be paid in accordance with procedures set forth in the Manual, which may include the use of an electronic transfer account.

11. ACCOUNTING AND RECORDS

11.1. Franchisee shall maintain during the term of this Agreement, and shall preserve for the time period specified in the Manual, full, complete and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor in the Manual or otherwise in writing. Franchisee shall retain for a period of 3 years following the end of each fiscal year, all books and records related to the Franchised Restaurant including, without limitation, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipts and disbursement journals and general ledgers.

11.2. Franchisee shall supply to Franchisor within 30 days of the end of each calendar quarter, in the form approved by Franchisor, a profit and loss statement for the last preceding quarter just ended within thirty 30 days after the end of the calendar quarter. Additionally, Franchisee shall, at its expense, submit to Franchisor within 90 days after the end of each fiscal year during the term of this Agreement, a profit and loss statement for such fiscal year and a balance sheet as of the last day of such fiscal year, prepared in accordance with generally accepted accounting principles applied on a consistent, accrual basis, including all adjustments necessary for fair presentation of the financial statements. Such financial statements shall be certified to be true and correct by Franchisee. Franchisee shall provide to Franchisor copies of all income tax returns and sales tax returns as filed.

11.3. Franchisee shall submit to Franchisor such other periodic reports, forms and records as specified, and in the manner and at the time as specified in the Manual or as Franchisor shall otherwise require in writing from time to time.

11.4. Franchisee shall record all sales and related activities on computer-based point-of-sale cash registers which are fully compatible with any program or system which Franchisor, in its discretion, may now or in the future employ. Franchisee must procure a computer system meeting the specifications and standards prescribed by Franchisor. All Net Sales and sales information shall be recorded on such equipment. Franchisor shall have full access to all of Franchisee's data, system and related information by means of direct access whether in person or by telephone/modem or otherwise.

11.5. Franchisor or its designated agents shall have the right at all reasonable times to examine and copy, at its expense, the books, records and tax returns of Franchisee. Franchisor shall also have the right, at any time, to have an independent audit made of the books and records of Franchisee at Franchisor's expense. If an inspection should reveal that any payments due to Franchisor have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the maximum rate permitted by law, or if no maximum is prescribed, at the rate of interest of two percent (2%) per month, and Franchisee shall reimburse Franchisor for any and all costs and expenses connected with the inspection, including, without limitation, reasonable accounting and attorney's fees.

11.6. Franchisee acknowledges that nothing contained herein constitutes Franchisor's agreement to accept any payments after same are due or a commitment by Franchisor to extend credit to or otherwise finance Franchisee's operation of the Franchised Restaurant. Further, Franchisee acknowledges that its failure to pay all amounts when due shall constitute a material default of and grounds for termination of this Agreement.

12. STANDARDS OF QUALITY AND PERFORMANCE

12.1. Franchisee shall comply with all requirements set forth in this Agreement, the Manual and other written policies, specifications, standards, operating procedures and rules prescribed from time to time and supplied to Franchisee by Franchisor. Franchisee shall comply with the entire System including, but not limited to, the requirements of this Section 12.

12.2. Franchisee shall commence operation of the Franchised Restaurant not later than 18 months after execution of this Agreement or as otherwise required or approved in writing by Franchisor. Prior to such opening, Franchisee shall have procured all necessary licenses, permits and approvals including, but not limited to, construction permits, hired and trained personnel, made all leasehold improvements, obtained all necessary licenses, and purchased initial inventory. Franchisee must obtain a liquor license for its Franchised Restaurant prior to operating its Franchised Restaurant; however, Franchisor reserves the right to waive this requirement. If Franchisee for any reason fails to commence operation as herein provided, unless Franchisee is precluded from doing so by force majeure, such failure shall be considered a default and Franchisor may terminate this Agreement as herein provided.

12.3. Franchisee shall maintain the condition and appearance of the Premises consistent with Franchisor's quality controls and standards. Franchisee shall effect such reasonable maintenance of the Franchised Restaurant as is from time to time required to maintain or improve the appearance and efficient operation of the Franchised Restaurant including, but not limited to,

replacement of worn out or obsolete equipment, fixtures and signs, repair of the exterior and interior of the Premises of the Franchised Restaurant and purchasing and installation of new modified equipment. If at any time in Franchisor's judgment the general state of repair or the appearance of the Premises of the Franchised Restaurant or its equipment, fixtures, signs or décor does not meet Franchisor's quality control and standards therefor, Franchisor shall so notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate within 30 days after receipt of such notice, and continue a bona fide program to complete any required maintenance, Franchisor shall have the right, in addition to all other remedies, to enter upon the Premises of the Franchised Restaurant and effect such repairs, painting, maintenance or replacements of equipment, fixtures or signs on behalf of Franchisee and Franchisee shall pay the entire costs thereof on demand. Franchisee's obligation to initiate and continue any required maintenance shall be suspended during any period in which such maintenance is impractical due to force majeure.

12.4. Franchisee shall make no material alterations to the Premises of the Franchised Restaurant nor shall Franchisee make material replacements of or alterations to the equipment, fixtures or signs of the Franchised Restaurant without the prior written approval by Franchisor.

12.5. The location of the Franchised Restaurant approved by Franchisor in accordance with Section 3 hereof shall be used solely for the purpose of conducting a Franchised Restaurant.

12.6. Franchisor or any parent company, subsidiary or affiliate of Franchisor has developed proprietary or private-labeled Trademarked Products bearing the Marks related to the Franchised Restaurant, chicken processing formulae and Trade Secret Food Products, and shall continue to further develop and own proprietary recipes and products. In order to protect its Trademarked Products, and to monitor the manufacture, packaging, processing and sale of Trademarked Products and Trade Secret Food Products, Franchisor or any parent company, subsidiary or affiliate of Franchisor may (i) manufacture, supply and sell Trademarked Products and Trade Secret Food Products to Franchisees of Franchisor, and/or (ii) disclose the formulae for and methods and preparation of the Trademarked Products and Trade Secret Food Products to a limited number of suppliers who shall be authorized by Franchisor or a parent company, subsidiary or affiliate of Franchisor to manufacture Trademarked Products and Trade Secret Food Products to Franchisor's precise specifications and sell Trademarked Products and Trade Secret Food Products to Franchisees of Franchisor. At such time as Franchisor introduces the Trademarked Products and Trade Secret Food Products into the System, or designates a new supplier, Franchisee acknowledges that Franchisee shall be required to purchase and use Trademarked Products and Trade Secret Food Products from Franchisor or a limited number of suppliers so authorized by Franchisor.

12.7. Franchisee shall offer for sale and sell at the Franchised Restaurant all types of Menu Items and other categories of food and beverage products that Franchisor from time to time authorizes and shall not offer for sale or sell at the Premises which it occupies any other category of products or use such Premises for any purpose other than the operation of a Franchised Restaurant in full compliance with this Agreement.

12.8. In order to ensure that all Menu Items produced by Franchisee meet Franchisor's high standards of taste, texture, appearance and freshness, and in order to protect Franchisor's

goodwill and Marks, all Trade Secret Food Products, Menu Items and other food products shall be prepared only by properly trained personnel strictly in accordance with Franchisor's recipes, cooking techniques and processes as designated by Franchisor in the Manual, and shall be sold only at retail to customers in conformity with Franchisor's marketing plan and concept. Franchisee acknowledges that such recipes, cooking techniques and processes are integral to the System and failure to adhere to such recipes, cooking techniques and processes, (including the handling and storage of both ingredients and fully prepared Menu Items), shall be detrimental to the System and Marks.

12.9. The Franchised Restaurant shall at all times maintain an inventory of ingredients, food and beverage products and other products, materials and supplies that shall permit operation of the Franchised Restaurant at maximum capacity.

12.10. Franchisee recognizes that it is essential to the proper marketing of the System and the Trademarked Products and to the preservation and promotion of their reputation and acceptance by the public at large, that uniform standards of quality of products and merchandise be maintained. Franchisee shall, as part of the consideration of this Agreement, carry an adequate supply and maintain a representative inventory of Trademarked Products and other items and merchandise packaged under the Marks in such amounts as prescribed by Franchisor in the Manual or otherwise in writing. Franchisee shall use, promote, offer, sell and dispense all equipment, apparel, merchandise, accessories and products included in the Trademarked Products and prescribed by Franchisor as part of the System. Franchisee acknowledges that failure to abide by this provision shall result in diffusing the Franchisor's public image to the detriment of all Franchisees using the System.

12.11. Franchisor shall provide to Franchisee, as developed, a list of approved manufacturers, suppliers and distributors, ("**Approved Suppliers List**"), and approved inventory, products, fixtures, furniture, equipment, signs, stationery, supplies and other items or services necessary to operate the Franchised Restaurant, ("**Approved Supplies List**"). Such list shall specify the manufacturer, brand, name, supplier and distributor and the inventory, products, fixtures, furniture, equipment, signs, stationery, supplies and services which Franchisor has approved to be carried or used in the System. Franchisor may revise the Approved Suppliers List and Approved Supplies List from time to time in its sole discretion and such lists shall be submitted to Franchisee as Franchisor deems advisable. Franchisee must only use the approved brands and models as specified on the Approved Supplies List. No substitution may be made at any time without prior written approval from Franchisor. If Franchisee proposes to offer for sale at the Franchised Restaurant any brand or product, or to use in the operation of the Franchised Restaurant any brand of food ingredient or other material or supply which is not then approved by Franchisor as meeting its minimum specifications and quality standards, or to purchase any product from a supplier that is not then designated by Franchisor as an approved supplier, Franchisee shall first notify Franchisor and shall upon request by Franchisor submit samples and such other information as Franchisor requires for examination and/or testing or to otherwise determine whether such product, material or supply or such proposed supplier meets its specifications and quality standards. A charge not to exceed the reasonable cost of the inspection and evaluation and the actual cost of the test shall be paid by Franchisee or the supplier. Franchisor reserves the right, at its option, to re-inspect the facilities and products of any supplier of an approved item and to revoke its approval of any item which fails to continue to meet any of Franchisor's criteria. Franchisor

reserves the right, in its sole discretion, to approve any and all supplies, suppliers, brand name products and other products and services, whether currently approved by Franchisor or submitted to Franchisor by Franchisee for approval, authorized for use by or sale from Franchised Restaurant.

12.12. All inventory, products, materials and other items and supplies used in the operation of the Franchised Restaurant which are not specifically required to be purchased in accordance with Franchisor's Approved Supplies List and Approved Suppliers List shall conform to the specifications and quality standards established by Franchisor from time to time.

12.13. Franchisee shall secure and maintain in force all required licenses, permits and certificates relating to the operation of the Franchised Restaurant and shall operate the Franchised Restaurant in full compliance with all applicable laws, ordinances and regulations including, without limitation, all government regulations relating to occupational hazards and health and safety, dispensing of food products and liquor, consumer protection, trade regulation, workers' compensation, unemployment insurance, withholding and payment of income taxes and social security taxes and sales, use and property taxes, and the Telephone Consumer Protection Act ("**TCPA**"), the Telemarketing Sales Rule, other federal and state anti-solicitation laws regulating marketing phone calls, and federal and state laws that regulate data security and privacy (including the use, storage, transmission, and disposal of data regardless of media type). Franchisee should investigate these laws to understand its potential legal obligations.

12.14. Franchisee shall refrain from any merchandising, advertising or promotional practice which is unethical or may be injurious to the business of Franchisor and/or other Franchised Restaurants or to the goodwill associated with the Marks.

12.15. Franchisee shall in the operation of the Franchised Restaurant use only displays, trays, napkins, boxes, bags, wrapping paper, labels, forms and other paper and plastic products imprinted with the Marks and colors as prescribed from time to time by Franchisor, and shall purchase such items only from such third parties licensed by Franchisor to duplicate the Mark on such items.

12.16. The Franchised Restaurant shall at all times be under the direct, on-premises supervision of Franchisee, or a trained and competent employee acting as full-time store manager ("**Store Manager**"). If Franchisee employs a Store Manager, however, Franchisee acknowledges that it shall remain obligated to actively supervise the operations of the Franchised Restaurant as agreed upon by Franchisee and Franchisor. If Franchisee operates more than one Franchised Restaurant, at least one trained and competent employee referred to above shall act as a full-time Store Manager of each facility. Franchisee shall keep Franchisor informed at all times of the identity of any employee acting as Store Manager of the Franchised Restaurant. If Franchisee selects a substitute or an additional Store Manager, Franchisee shall be required to make sure such Store Manager receives training from Franchisor. To the extent that Franchisor can reasonably accommodate Franchisee's Store Manager in Franchisor's regularly scheduled training course, Franchisor shall make training available as is reasonable and necessary, for all Store Managers designated by Franchisee. Franchisor shall provide such training at the then-current published rates. In no event shall Franchisor be under any obligation to provide individual training to Franchisee's Store Managers.

12.17. Franchisee shall not install or maintain on the Premises of the Franchised Restaurant any newspapers for sale, video games, juke boxes, gaming machines, gum machines, games, rides, vending machines or other similar devices without the written approval of Franchisor.

12.18. If directed by Franchisor, Franchisee shall participate actively in a MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchisee advisory council ("**Advisory Council**") and participate in all Advisory Council programs approved by Franchisor. The purposes of the Advisory Council includes, but are not limited to, exchanging ideas and problem solving methods, advising Franchisor on expenditures for advertising, and coordinating Franchisee efforts.

12.19. Franchisee's employees shall at all times wear uniforms imprinted with the Marks as prescribed by Franchisor in the Manual.

12.20. Franchisor will provide specifications for software for conducting point-of-sale functions ("**POS System**") and related activities but may, in the future, develop and custom design Proprietary Software. If Franchisor develops Proprietary Software, the Proprietary Software shall be proprietary to and the confidential information of Franchisor. At such time as Franchisor introduces the Proprietary Software into the System, (if ever), Franchisor has determined that it shall not be able to alter the Proprietary Software and System to accommodate each and every Franchisee of the System; therefore, Franchisee shall implement and utilize the Proprietary Software in the operation of the Franchised Restaurant and comply with all specifications and standards prescribed by Franchisor regarding the Proprietary Software, as provided from time to time in the Manual. This unique Proprietary Software may be implemented into the System at Franchisor's discretion. Franchisor shall be responsible for maintaining on-going service and support regarding the Proprietary Software, and Franchisor shall lease such Proprietary Software to Franchisee at the then-current rates published by Franchisor. Costs of training will be the responsibility of Franchisee.

12.21. In the operation of the Franchised Restaurant, Franchisee will receive information, records, lists or data that contains Personal Information (collectively, "**Customer Data**"). "**Personal Information**" includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual, or household, as such term may be further defined or amended by applicable federal, state, and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act. Personal Information is collected, maintained or generated in the operation of the Franchised Restaurant, including through the use of the POS System. Franchisee agrees, at its sole cost and expense, to at all times

(a) comply with the data protection, collection, maintenance and use requirements for Customer Data set out in the Manual and this Agreement, including all policies, procedures, and controls that Franchisor implements now or in the future;

(b) comply with all applicable federal, state and local statutes, regulations, ordinances and requirements, including but not limited to, the California Consumer Privacy Act, relating to the data protection, collection, maintenance, and use of Customer Data (collectively, "**Privacy Laws**");

(c) assist and otherwise cooperate with Franchisor to ensure Franchisor's and Franchisee's compliance with applicable Privacy Laws;

(d) promptly notify Franchisor in writing of any Security Incident (defined below) that Franchisee becomes aware of or discovers. Franchisee will assist and otherwise cooperate with Franchisor to investigate any such Security Incident and will take all required steps, as determined by Franchisor, to remedy Franchisee's noncompliance with applicable Privacy Laws, this Agreement, or the Manual. For purposes of this Section 12.21, "**Security Incident**" means any actual or suspected accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to Customer Data in violation of applicable Privacy Laws, this Agreement, or the Manual.

(e) promptly provide Franchisor with the ability to delete, access or copy Customer Data in Franchisee's possession or control;

(f) promptly notify Franchisor of any request regarding Customer Data received by the Franchisee from a "consumer" as defined by applicable Privacy Laws;

(g) adopt policies, procedures, and controls, including those set out in the Manual, if any, that enable Franchisee to respond, and to cause its agents and employees to respond, promptly to any rights request made pursuant to applicable Privacy Laws, including any disclosure request, deletion request, or opt-out request;

(h) adopt policies, procedures, and controls, including those set out in the Manual, if any, that limit access to Customer Data to only those employees that have a need-to-know basis based on specific job function or role. Franchisee will provide data privacy and security training to employees who have access to Customer Data or who operate or have access to system controls and will require employees to adhere to data confidentiality terms providing for the protection of Customer Data in accordance with this Agreement and the Manual; and

(i) maintain Customer Data in confidence in accordance with this Agreement.

Franchisee agrees to never sell, disclose, release, transfer, make available, divulge or use the Customer Data, or derivatives thereof for Franchisee's benefit or for the benefit of a third party, nor for any commercial purpose, other than to operate the Franchised Restaurant. Notwithstanding anything to the contrary Franchisee will not disclose, release, divulge, or otherwise make Customer Data available to third parties except to the extent such access is strictly necessary to achieve a business purpose for the benefit of the Franchised Restaurant and only if such third party recipient is contractually bound to comply with data protection provisions no less restrictive than those set out in this Agreement and the Manual, including an agreement to comply with applicable Privacy Laws.

At Franchisor's instruction, Franchisee will de-identify, delete or destroy Customer Data and will provide Franchisor written confirmation that such actions are completed within 10 days of Franchisor's instruction.

Franchisee hereby indemnifies and holds Franchisor harmless from any violations of applicable Privacy Laws or this Section 12.21 of this Agreement by Franchisee, any contractor or subcontractor, employee, affiliate, or other third party to whom Franchisee has sold, disclosed, released, transferred, made available, divulged, or otherwise permitted to access Customer Data. This indemnification obligation will survive termination or expiration of this Agreement.

12.22. Franchisee shall notify Franchisor in writing within 5 days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Restaurant.

13. FRANCHISOR'S OPERATIONS ASSISTANCE

13.1. Franchisor shall provide to Franchisee a list of selling prices for the food and other products offered for sale by the Franchised Restaurant that in Franchisor's judgment constitute good business practice. Such price list shall be based on the experience of Franchisor and its Franchisees in operating Franchised Restaurants and an analysis of the costs of such products and prices charged for competitive products. Franchisee shall not be obligated to use any such price list(s) unless Franchisor specifically demands it.

13.2. Prior to commencement of operation of the Franchised Restaurant, and during the term of this Agreement, Franchisor shall provide to Franchisee the following:

(a) Site inspection and approval;

(b) Architectural and interior design concepts;

(c) A comprehensive list, as developed, of established sources of equipment, foods, supplies and containers necessary for the operation of the Franchised Restaurant and provide specifications for such products;

(d) Coordination of product distribution for local, regional and national suppliers as Franchisor deems appropriate;

(e) Regulation of quality standards and products to promote consistency throughout the network of Franchised Restaurants;

(f) Coordination of advertising materials and strategies;

(g) Negotiation of group rates for purchases of products and materials as Franchisor in its sole discretion, deems necessary and appropriate; and

(h) A standard training program as outlined in the Manual.

13.3. Franchisor shall furnish Franchisee with such assistance in connection with the operation of the Franchised Restaurant as is reasonably determined to be necessary by Franchisor from time to time. Operations assistance may consist of advice and guidance with respect to:

(a) Proper utilization of procedures by the Franchised Restaurant regarding the service and sale of all Menu Items, other food and beverage items and related items and materials as approved by Franchisor;

(b) Additional products and services authorized for sale from Franchised Restaurants;

(c) Purchase of ingredients and other food and beverage items, materials and supplies;

(d) The institution of proper administrative, bookkeeping, accounting inventory control, supervisory and general operating procedures for the effective operation of the Franchised Restaurant;

(e) Advertising and promotional programs;

(f) On-going research and development of new procedures and techniques, new products and materials and other enhancement to the System; and

(g) On-going training and support upon request by Franchisee at the then-current rates, as stated in the Manual, plus expenses.

13.4. Franchisor may, at its own expense, make periodic visits to the Franchised Restaurant for the purposes of consultation, assistance and guidance of Franchisee in all aspects of the operation and management of the Franchised Restaurant. Franchisor or Franchisor's representatives who attend at the Franchised Restaurant may prepare, for the benefit of both Franchisor and Franchisee, written report with respect to such visits outlining any suggested changes or improvements in the operations of the Franchised Restaurant and detailing any defaults in such operations which become evident as a result of any such visit, and a copy of each such written report shall be provided to both Franchisor and Franchisee. Franchisor shall advise Franchisee of problems arising out of the operation of the Franchised Restaurant as disclosed by reports submitted to Franchisor by Franchisee or by inspections conducted by Franchisor of the Franchised Restaurant but under no circumstances shall Franchisor be liable for providing any such consultation, assistance or guidance.

13.5. All of the specifications, Approved Suppliers List, Approved Supplies List and Manual to be provided by Franchisor to Franchisee pursuant to this Agreement shall be delivered upon execution of the first Franchise Agreement or as developed if later.

14. INSURANCE

Franchisee must procure and keep in force insurance policies, in such amounts and on such terms, as prescribed by Franchisor in the Manual, by an insurance company acceptable to Franchisor at all times during the term of this Agreement. Franchisee must obtain such policies within 30 days after signing this Agreement. Insurance coverage must include general liability, combined single limit, bodily injury and property damage insurance for premises operations, products liability and all other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than such amount set forth in the Manual

and adjusted by Franchisor periodically in Franchisor's sole discretion. Insurance policies must insure Franchisee and Franchisor and their affiliates, officers, stockholders, directors, and all other parties designated by Franchisor, as additional named insureds against any liability that may accrue against them by reason of the ownership, maintenance or operation by Franchisee of the Franchised Restaurant. The policies must also stipulate that Franchisor shall receive a 30 day prior written notice of cancellation. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Franchisor, including original endorsements affecting the coverage required by this Section, shall be furnished to Franchisor together with proof of payment within 10 days of issuance thereof. Franchisee shall also furnish Franchisor with certificates and endorsements evidencing such insurance coverage within 10 days after each of the following events: (i) at all policy renewal periods, no less often than annually, and (ii) at all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are subject to approval by Franchisor. Franchisor reserves the right to require complete, certified copies of all required insurance policies at any time in Franchisor's sole discretion. In the event Franchisee fails to obtain the required insurance and to keep the same in full force and effect, Franchisor may, but shall not be obligated to, purchase insurance on Franchisee's behalf from an insurance carrier of Franchisor's choice, and Franchisee shall reimburse Franchisor for the full cost of such insurance, along with a reasonable service charge to compensate Franchisor for the time and effort expended to secure such insurance, within 5 days of the date Franchisor delivers an invoice detailing such costs and expenses to Franchisee. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement or exercise any or a combination of the other default remedies set forth in Section 16 of this Agreement. Franchisee shall also procure and pay for all other insurance required by state or federal law, including, without limitation, workers' compensation and unemployment insurance.

15. COVENANTS

15.1. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee, (if Franchisee is an individual), the single biggest shareholder of the securities of Franchisee (if Franchisee is a corporation), a general partner of Franchisee (if Franchisee is a partnership), the managing member (if Franchisee is a limited liability company) or Franchisee's Store Manager shall devote full-time energy and best efforts to the management and operation of the Franchised Restaurant.

15.2. Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership or corporation:

(a) Divert or attempt to divert any business or customer of the Franchised Restaurant to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System;

(b) Employ or seek to employ any person who is at that time employed by Franchisor, or by any other Franchisee or Franchisor, or otherwise directly or indirectly induce or seek to induce person to leave his or her employment thereat; and

(c) Own, maintain, engage in or have any interest in any business, (including any business operated by Franchisee prior to entry into this Agreement), specializing in whole or in part, in dispensing, promoting or selling prepared food products or any other business operating a family oriented, casual restaurant which sells or offers to sell Filipino-style cuisine and other prepared food products or services, the same as or similar to those sold in the System. This includes any business that is in direct or indirect competition with MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®.

15.3. Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee shall receive valuable training and confidential information including, without limitation, information regarding the promotional, operational, sales and marketing methods and techniques of Franchisor and the System. Accordingly, except as otherwise approved in writing by Franchisor, Franchisee covenants the following:

(a) Franchisee shall not, within a 2 year period after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own maintain, engage in, consult with or have any interest in any business specializing, in whole or in part, in operating, dispensing, promoting or selling prepared food products or any other business which sells or offers to sell Filipino-style cuisine, including, but not limited to, appetizers, chicken, beef, pork, fish, shrimp, fried rice, noodles, vegetables, and desserts, and other food and beverage products in a casual, family-oriented restaurant facility providing on-premises dining services, carry-out and delivery service; and

(b) After the lapse of the 2 year period immediately following the expiration or termination of this Agreement as provided in this Section 15.3(a), Franchisee shall not for 5 years thereafter, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own maintain, engage in, consult with or have any interest in any business specializing, in whole or in part, in operating, dispensing promoting or selling prepared food products or any other business which sells or offers to sell Filipino-style cuisine, including, but not limited to, appetizers, chicken, beef, pork, fish, shrimp, fried rice, noodles, vegetables, and desserts, and other food and beverage products in a casual, family-oriented restaurant facility providing on-premises dining services, carry-out and delivery service:

(i) Within a radius of 5 miles of the Franchised Restaurant; and

(ii) Within a radius of 5 miles of the location of any other business using the System, whether Franchised or owned by Franchisor.

15.4. Franchisee shall not divulge to any person, partnership, corporation or any other entity any information, trade secrets, ingredients, recipes, cooking techniques and processes, used

in the Trade Secret Food Products, Menu Items and other food and beverage products used in the System or any information stated in the Manual during or after the term of the Franchise.

15.5. Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 15 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Franchisee shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 15.

15.6. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 15.3 and 15.4 in this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 27 hereof.

15.7. Franchisor shall have the right to require all of Franchisee's officers, directors, shareholders, general partners, limited partners, personnel performing managerial or supervisory functions and all personnel receiving training from Franchisor to execute similar covenants in a form satisfactory to Franchisor.

16. DEFAULT AND TERMINATION

16.1. This Agreement shall terminate automatically upon delivery of written notice of termination to Franchisee, if Franchisee or its owner(s) or Store Manager(s) do or fail to do the following:

(a) Franchisee fails to have Franchisee's Franchised Restaurant open and in operation according to the provisions of Section 1.3;

(b) Franchisee fails on 2 or more separate occasions within any period of 12 consecutive months to submit when due reports or other information or supporting records, to pay when due the Royalty Fees, Advertising Fund payments and amounts due for purchases from Franchisor or other payments due to Franchisor;

(c) Has made any material misrepresentation or omission in its application for the Franchise;

(d) Is convicted of or is charged with an indictable offense that is likely to adversely affect the reputation of Franchisee or the Franchised Restaurant;

(e) Makes any unauthorized use, disclosure or duplication of any portion of the Manual or duplicates or discloses or makes any unauthorized use of any trade secret or confidential information provided to Franchisee by Franchisor;

(f) Abandons or fails or refuses to actively operate the Franchised Restaurant for 5 business days in any twelve 12 month period, unless the Franchised Restaurant has

been closed for a purpose approved by Franchisor or due to force majeure, or fails to relocate to approved premises with an approved period of time following expiration or termination of the lease for the Premises of the Franchised Restaurant;

(g) Surrenders or transfers control of the operation of the Franchised Restaurant, makes an unauthorized direct or indirect assignment of the Franchisee or an ownership interest in Franchisee or fails or refuses to assign the Franchised Restaurant or the interest in Franchisee of a deceased or disabled controlling owner thereof as herein required; and

(h) If Franchisee shall be adjudicated bankrupt, becomes insolvent, commits any affirmative act of insolvency or files any action or petition of insolvency, or if a receiver, (permanent or temporary), of its property or any part thereof is appointed by a court of competent authority, or if it makes a general assignment for the benefit of its creditors, or if a final judgment remains unsatisfied of record for 30 days or longer, (unless supersede as bond is filed), or if execution is levied against Franchisee's business or property, or if suit to foreclose any lien or mortgage against its Premises or equipment is instituted against Franchisee and not dismissed within 30 days, or is not in the process of being dismissed; provided, however, that Franchisor reserves the right to be named as trustee or receiver in any voluntary petition for bankruptcy or insolvency filed by Franchisee.

16.2. This Agreement shall terminate without further notice to Franchisee or Franchisee's owner unless the following breaches are cured within 30 days of notice by Franchisor to Franchisee or Franchisee's owner, if Franchisee or Franchisee's owner:

(a) Fails satisfactorily to complete the training program as provided in Section 4 of this Agreement;

(b) Materially misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to materially impair the goodwill associated with any of the Marks;

(c) Materially misuses or makes an unauthorized use of the Software (if developed);

(d) Continuously violates any health, safety or sanitation law, ordinance or regulation or operates the Franchised Restaurant in a manner that present a health or safety hazard to its customers or the public;

(e) Fails to procure and maintain insurance coverage as provided in Section 14 of this Agreement;

(f) Continuously fails to stay current with its creditors; and/or

(g) Fails or refuses to comply with any other provision of this Agreement, or any mandatory specification, standard or operating procedure prescribed in the Manual or otherwise in writing, and does not correct such failure (or provide proof acceptable to

Franchisor that it has made all reasonable efforts to correct such failure and shall continue to make all reasonable efforts to cure until a cure is effected, if such failure cannot reasonably be corrected within 30 days), after written notice of such failure to comply is delivered to Franchisee.

16.3. To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non-renewal or the like other than in accordance with applicable law, such provisions shall, to the extent such are not in accordance with the applicable law, not be effective, and Franchisor shall comply with applicable law in connection with each of these matters.

17. RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION

Upon expiration or termination, this Agreement and all rights granted hereunder to Franchisee shall forthwith terminate, and:

17.1. Franchisee shall immediately cease to operate the Franchised Restaurant under this Agreement, and shall not after that time, directly or indirectly, represent to the public or hold itself out as a present or former Franchisee of Franchisor.

17.2. Upon demand by Franchisor, Franchisee shall assign to Franchisor or its assigns, Franchisee's interest in any lease then in effect for the Franchised Restaurant Premises, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within 30 days after expiration or termination of this Agreement.

17.3. Franchisee shall immediately and permanently cease to use, by advertising or in any manner whatsoever, any confidential methods, procedures and techniques associated with the System, the Marks, any distinctive forms, slogans, signs, symbols, logos or devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, stationery, forms and any other articles which display the Marks associated with the System.

17.4. Franchisee shall take such action as may be necessary to cancel or assign to Franchisor or Franchisor's designee, at Franchisor's option, any assumed name rights or equivalent registration filed with any government authorities which contains the Marks as defined in this Agreement, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within 30 days after termination or expiration of this Agreement.

17.5. Franchisee shall, in the event it continues to operate or subsequently begins to operate any other business, not use any reproduction, counterfeit, copy or colorable imitation of the Marks either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Marks and shall not utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor so as to constitute unfair competition. Franchisee shall make such modifications or alterations to the Premises of the Franchised Restaurant, (including, without limitation, the changing of the telephone number and facsimile number), immediately upon expiration or termination of this Agreement as may be necessary to prevent any association between Franchisor or the System and

any business thereon subsequently operated by Franchisee or others, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose including, without limitation, removal of all distinctive physical and structural features identifying the System. In the event Franchisee fails or refuses to comply with the requirements of this Section 17, Franchisor shall have the right to enter upon the Premises where Franchisee's Franchised Restaurant was conducted, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required at the expense of Franchisee, which expense Franchisee shall pay upon demand.

17.6. Franchisee shall promptly pay all sums owing to Franchisor. In the event of termination for any default of Franchisee, such sums shall include all damages, costs and expenses incurred to obtain injunctive or other relief for the enforcement of any provision of Sections 15 or 17, including reasonable legal fees and expenses and other professional fees and expenses, incurred by Franchisor as a result of the default.

17.7. Franchisee shall immediately turn over to Franchisor all manuals, including the Manual, customer lists, records, files, instructions, brochures, agreements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Restaurant, (all of which are acknowledged to be Franchisor's property). Under no circumstances shall Franchisee retain any copies of the Manual upon expiration or termination of this Agreement.

17.8. Franchisor shall have the right, title and interest to any sign or sign faces bearing the Marks. Franchisee hereby acknowledges Franchisor's right to access to the Premises of the Franchised Restaurant should Franchisor elect to take possession of any said sign or sign faces bearing the Marks.

17.9. Franchisor shall have the right, (but not the duty), to be exercised by notice of intent to do so within 30 days after expiration or termination, to purchase for cash, any or all assets of the Franchised Restaurant including leasehold improvements, equipment, supplies and other inventory, advertising materials, and all items bearing Franchisor's Marks, at Franchisee's cost or fair market value, whichever is less. If the parties cannot promptly agree on the fair market value, a duly accredited, licensed and independent appraiser shall be designated by Franchisor, at Franchisor's cost, and the appraiser's determination shall be binding. If Franchisor elects to exercise any option to purchase as herein provided, it shall have the right to offset all amounts due from Franchisee under this Agreement, against any payment therefor.

18. TRANSFERABILITY OF INTEREST

18.1. Franchisor shall have the right to assign this Agreement and all of its rights and privileges hereunder, to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor the assignee shall expressly assume and agree to perform such obligations.

(a) Specifically, and without limitation to the foregoing, Franchisee expressly affirms and agrees that Franchisor may sell or pool its assets or stock, the Marks or its System outright to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations or entities or be acquired by

another corporation or entity; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® as Franchisee.

(b) Nothing contained in this Agreement shall require Franchisor to franchise or to offer products manufactured by it or any related company, whether or not bearing the Marks, in the event that Franchisor exercises its rights hereunder to assign its rights in this Agreement.

18.2. Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and are granted in reliance upon the personal qualifications of Franchisee. Franchisee has represented to Franchisor that Franchisee is entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the development and option rights hereunder.

18.3. Neither Franchisee nor any partner of Franchisee (if Franchisee is a partnership), member of Franchisee (if Franchisee is a limited liability company) or shareholder of Franchisee (if Franchisee is a corporation), without Franchisor's prior written consent, by operation of law or otherwise shall sell, assign, transfer, convey, give away or encumber to any person, firm, corporation or other entity, all or any part of its interest in this Agreement or its interest in the development rights granted hereby or its interest in any proprietorship, partnership, limited liability company or corporation which owns any interest in the Franchisee, nor offer, permit or suffer the same to be sold, assigned, transferred, conveyed, given away or encumbered in any way to any person, firm, corporation or other entity. Franchisee may not, without the prior written consent of Franchisor, fractionalize any of the rights of development granted pursuant to this Agreement. The following restrictions on transferability also apply to any purported transfers through a shell, or through divorce, separation, or bankruptcy proceedings. Any purported assignment of any of Franchisee's rights herein not having the aforesaid consent shall be null and void and shall constitute a material default hereunder.

18.4. Franchisor shall not unreasonably withhold its consent to any transfer referenced in Section 18.3 of this Agreement when requested; provided, however, that the following conditions and requirements shall first be met to the full satisfaction of Franchisor:

(a) If Franchisee is an individual or partnership and desires to assign and transfer its rights to a corporation or limited liability company:

(i) Said transferee corporation or limited liability company shall be newly organized and shall agree that its activities shall be confined exclusively to acting as a Franchisee of MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® franchisees under this Agreement;

(ii) Franchisee shall be and shall remain the owner of the majority stock interest of the transferee corporation or majority membership interest of the transferee limited liability company;

(iii) The individual Franchisee (or, if Franchisee is a partnership, one of the partners) shall be and shall remain the principal executive officer of the transferee corporation or limited liability company;

(iv) The transferee corporation or limited liability company shall enter into a written assignment (in a form satisfactory to Franchisor) in which the transferee corporation or limited liability company assumes all of Franchisee's obligations hereunder;

(v) All shareholders of the transferee corporation or members of the transferee limited liability company shall enter into a written agreement, in a form satisfactory to Franchisor, jointly and severally guaranteeing the full payment and performance of the transferee corporation's or limited liability company's obligations to Franchisor under this Agreement;

(vi) Each stock certificate of the transferee corporation shall have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;

(vii) The operating agreement of the transferee limited liability company and certificates of membership interests (if any) shall be in writing and shall conspicuously state that all membership interests are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;

(viii) No new shares of common or preferred voting stock in the transferee corporation or membership interests (of whatever nature) in the transferee limited liability company shall be issued to any person, partnership, trust, foundation, limited liability company or corporation without obtaining Franchisor's prior written consent and then only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the stock or membership interests; and

(ix) All accrued money obligations of Franchisee to Franchisee's suppliers, Franchisor, its subsidiaries or assignees, shall be satisfied prior to assignment or transfer.

(b) If the transfer, other than such transfer as is authorized under Section 18.4(a) of this Agreement, if consummated alone or together with other related previous, simultaneous or proposed transfers, would have the effect of transferring control of the Franchisee to someone other than an original signatory of this Agreement, Franchisee or its owners shall obtain a bone fide, executed written offer from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to Franchisor, which shall,

for a period of 30 days from the date of delivery of such offer, have the right, exercisable by written notice to Franchisee or its owners, to purchase such rights under this Agreement or such ownership interests for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer and that Franchisor shall have not less than 60 days for closing. If Franchisor does not exercise this right of first refusal, Franchisee or its owners, as applicable, may complete the sale of such interest in this Agreement, or such ownership interest, subject to Franchisor's approval of the purchaser as provided below, provided that if such sale is not completed within 60 days after delivery of such offer to Franchisor, Franchisor shall again have the right of first refusal, provided:

(i) The transferee(s) shall be of good moral character and reputation and shall have a good credit rating and competent business qualifications reasonably acceptable to Franchisor. Franchisee shall provide Franchisor with such information as Franchisor may require to make such determination concerning each such proposed transferee;

(ii) The transferee(s), or such other individual(s) as shall be the actual Store Manager of Franchisee, shall have successfully completed and passed the training course then in effect for Franchisee or shall have otherwise demonstrated to Franchisor's satisfaction, sufficient ability to establish and supervise the agreed-upon Franchised Restaurant;

(iii) The transferee(s) including all shareholders, officers, directors, members, managers, governors and partners of the transferee(s) shall jointly and severally execute any or all of the following, at Franchisor's sole discretion and as Franchisor shall direct:

A. This Agreement and other standard ancillary agreements with Franchisor on the then-current standard forms being used by Franchisor; and

B. A written assignment from Franchisee in a form satisfactory to Franchisor, wherein transferee shall assume all of Franchisee's obligations hereunder.

(iv) Approval by Franchisor of any transfer by Franchisee herein granted or any of Franchisee's rights under this Agreement shall in no way be deemed a release by Franchisor of Franchisee's obligations pursuant to this Agreement. Consent by Franchisor to a transfer of this Franchise Agreement shall not constitute or be interpreted as consent for any future transfer thereof;

(v) The term of said agreements required pursuant to Section 18.4(b)(iii) shall be for the unexpired term of this Agreement and for any extensions or renewals as provided herein;

(vi) If transferee is a limited liability company or corporation:

A. Each stock certificate of the transferee corporation shall have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;

B. The operating agreement of the transferee limited liability company and certificates of membership interests (if any) shall be in writing and shall conspicuously state that all membership interests are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement;

C. No new shares of common or preferred voting stock in the transferee corporation shall be issued to any person, partnership, trust, foundation, limited liability company, corporation or other entity without obtaining Franchisor's prior written consent and then only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the stock; and

D. All shareholders of the transferee corporation or members of the limited liability company shall enter into a written agreement, in a form satisfactory to Franchisor, guaranteeing the performance of the transferee corporation of all obligations under this Agreement.

(vii) All accrued money obligations of Franchisee to Franchisee's suppliers, to Franchisor, any parent, subsidiary or affiliate(s) or assignee(s) of Franchisor, shall be satisfied prior to assignment or transfer, and Franchisee shall not be in default under the terms of this Agreement; and

(viii) Franchisee, prior to the transfer, shall execute a general release, in a form prescribed by Franchisor, of any and all existing claims against Franchisor, any parent, subsidiary or affiliate(s) of Franchisor, and their respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law.

(c) Franchisee shall have fully paid and satisfied all of Franchisee's obligations to Franchisor, and the transferee or Franchisee shall have fully paid to Franchisor a transfer fee equal to fifty percent (50%) of the then current Initial Franchise Fee, for the training, supervision, administrative costs, overhead, counsel fees, accounting and other Franchisor expenses in connection with the transfer. This transfer fee shall not apply to an assignment of interest to a corporation or limited liability company under Section 18.4(a) of this Agreement; and

(d) No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Agreement, or in the entity holding such interest, shall relieve Franchisee and the shareholders, members or partners participating in any transfer of the obligations of the covenants contained in Section 15, except where Franchisor shall expressly authorize in writing.

18.5. Franchisee must promptly give Franchisor written notice whenever Franchisee or any of its owners has received an offer to buy Franchisee's or such owner's interest in this Agreement. Franchisee must also give Franchisor written notice simultaneously with any offer to sell the Franchised Restaurant, made by, for, or on behalf of Franchisee.

18.6. If the Franchisee or its partners propose to sell the Franchised Restaurant (or its assets) or part or all of the ownership of Franchisee, Franchisee or its partners shall obtain and deliver a bona fide, executed written offer to purchase same to Franchisor, which shall, for a period of 30 days from the date of delivery of such offer to Franchisor, have the right, exercisable by written notice to Franchisee or its owners, to purchase the Franchised Restaurant (or its assets) or such ownership for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer. If Franchisor does not exercise this right of first refusal, the offer may be accepted by Franchisee or its owners, subject to the prior written approval of Franchisor, as provided in Section 18 thereof, provided that if such offer is not so accepted within 6 months of the date hereof, Franchisor shall again have the right of first refusal herein described.

18.7. If the Franchisee or its partners propose to sell the Franchised Restaurant (or its assets) or part or all of the ownership of Franchisee, Franchisor reserves the right to broker the sale, and charge a brokerage fee not to exceed ten percent (10%) of the sale price, including the market value of any in-kind consideration. If the parties cannot promptly agree on the fair market value, a duly accredited, licensed and independent appraiser shall be designated by Franchisor, at Franchisor's cost, and the appraiser's determination shall be binding.

19. DEATH OR INCAPACITY OF FRANCHISEE

19.1. In the event of the death or incapacity of an individual Franchisee, owning fifty-one (51%) or more of the controlling interest in a Franchisee, the heirs, beneficiaries, devisee, or legal representatives of said individual franchisee shall, within 60 days of such event:

(a) Apply to Franchisor for the right to continue to operate the franchise for the remaining duration of the term of this Agreement and any renewals hereof, which right shall be granted upon the fulfillment of all of the conditions set forth in Section 18.4(b)(ii) of this Agreement, (except that no transfer fee shall be required); or

(b) Sell, assign, transfer or convey Franchisee's interest in compliance with the provisions of Section 18.4 this Agreement; provided, however, in the event a proper and timely application for the right to continue to operate has been made and rejected, the 60 days to sell, assign, transfer or convey shall be computed from the date of application. For purposes of this Section 19, Franchisor's silence on an application made pursuant to Section 18.4 through the 60 days following the event of death or incapacity shall be deemed a rejection made on the last day of such period.

19.2. In the event of the death or incapacity of an individual Franchisee, or any partner or shareholder of the Franchisee which is a partnership or corporation where the aforesaid provisions of Section 18 have not been fulfilled within the time provided, all rights licensed to

Franchisee under this Agreement shall, at the option of Franchisor, terminate forthwith and automatically revert to Franchisor.

19.3. For purposes of this Agreement, "**incapacity**" shall be defined as the inability of Franchisee to operate or oversee the operation of the Franchised Restaurant on a regular basis by reason of any continuing physical, mental or emotional incapacity, chemical dependency or other limitation. Any dispute as to the existence of an incapacity as defined herein shall be resolved by majority decision of 3 licensed medical physicians practicing in the US, with each party selecting one medical physician (the 2 selected physicians then select a third physician). The determination of the majority of the 3 medical physicians shall be binding upon the parties and all costs of making said determination shall be borne by the party against whom it is made. Failure by either party to select a physician, or if the selected physicians cannot agree on a third physician, or the physicians cannot determine the case based on the findings, shall entitle either party to injunctive relief by the court.

20. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

20.1. This Agreement does not constitute Franchisee as an agent, legal representative, joint venturer, partner, employee or servant of Franchisor for any purpose whatsoever. Franchisee may not represent to third parties that Franchisee is an agent of Franchisor and it is understood between the parties hereto that Franchisee shall be an independent contractor and is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on behalf of Franchisor.

20.2. Franchisee shall prominently display, by posting of a sign within public view, on or in the Premises of the Franchised Restaurant, a statement that clearly indicates that the Franchised Restaurant is independently owned and operated by Franchisee and not as an agent of Franchisor.

20.3. Franchisee shall defend at its own cost and indemnify and hold harmless Franchisor, its shareholders, affiliates and subsidiaries and their respective directors, officers, employees and agents, from and against any and all loss, costs, expenses (including legal and other professional fees and expenses), damages and liabilities, however caused, resulting directly or indirectly from or pertaining to the breach by Franchisee of its obligations under this Agreement or the use, condition or construction, equipping, decorating, maintenance or operation of the Franchised Restaurant, including the sale of any food products, service or merchandise sold from the Franchised Restaurant. Such loss, claims, costs, expenses, damages and liabilities shall include, without limitation, those arising from latent or other defects in the Franchised Restaurant, whether or not discoverable by Franchisor, and those arising from the death or injury to any person or arising from damage to the property of Franchisee or Franchisor, their agents or employees, or any third person, firm or corporation, whether or not such losses, claims, costs, expenses, damages or liabilities were actually or allegedly caused wholly or in part through the active or passive negligence of Franchisor or any of its agents or employees or resulted from any strict liability imposed on Franchisor or any of its agents or employees.

21. NON-WAIVER

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms hereof. Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by the party sought to be charged and shall not affect or impair Franchisor's right with respect to any subsequent default of the same or of a different nature, nor shall any delay, waiver, forbearance or omission of Franchisor to exercise any power or rights arising out of any breach or default by Franchisee of any of the terms, provisions or covenants hereof, affect or impair Franchisor's rights nor shall such constitute a waiver by Franchisor of any right hereunder or of the right to declare any subsequent breach or default. Subsequent acceptance by Franchisor of any payment(s) due to it hereunder shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

22. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, delivered by courier, or by registered mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:	William E. Rodgers Managing Director eMax's, LLC 1350 Pine St. Suite 6 Boulder, CO 80302
With a copy to:	Robert F. Trota President Max's of Manila, Inc. 313 W. Broadway Glendale, CA. 91204
With a copy (which shall not constitute notice) to:	Michael A. Maciszewski, Esquire Mauka Legal, LLC 970 Saint Andrews Lane Louisville, CO 80027 Telephone: (303) 819-0234
Notices to Franchisee:	_____ _____ _____

Courtesy Copy to: _____
_____
_____

Any notice shall be by personal delivery, courier delivery or registered mail which shall be deemed to have been given at the date and time of mailing.

23. COST OF ENFORCEMENT OR DEFENSE

If a claim for amounts owed by Franchisee to Franchisor is asserted in any legal proceeding before a court of competent jurisdiction, or if Franchisor or Franchisee is required to enforce this Agreement in judicial proceeding, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and legal fees, in connection with such proceeding.

24. APPROVALS

24.1. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefore and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing.

24.2. Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefore.

25. ENTIRE AGREEMENT

The parties intend this Agreement and all attached exhibits to be the full and complete agreement between Franchisor and Franchisee and the entire integration of all their understandings of every nature concerning the matters contained in this Agreement or in any way related, whether occurring before or contemporaneously with, the execution of this Agreement. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in the FDD. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing.

26. SEVERABILITY AND CONSTRUCTION

26.1. Each paragraph, part, term and/or provision of this Agreement shall be considered severable and if, for any reason, any paragraph, part, term and/or provision herein is determined to be invalid and contrary to or in conflict with any existing or future law or regulation, such shall not impair the operation of or affect the remaining portions, sections, parts, terms and/or provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms and/or provisions shall be deemed not part of this Agreement.

26.2. Franchisee shall be bound by any promise or covenant imposing the maximum duty permitted by law which is contained within the terms of any provision hereof, as though it were

separately stated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

26.3. All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof. The singular usage includes the plural, where appropriate in the context, and the masculine and neuter usages include the other and the feminine.

26.4. This Agreement may be executed in multiple copies, and each copy so executed shall be deemed an original.

26.5. The recitals set forth in this Agreement are specifically incorporated into the terms of this Agreement and hereby constitute a part thereof.

27. APPLICABLE LAW

27.1. THIS AGREEMENT TAKES EFFECT UPON ITS ACCEPTANCE AND EXECUTION BY FRANCHISOR IN THE STATE OF COLORADO; AND SHALL BE INTERPRETED AND CONSTRUED UNDER THE LAWS THEREOF, WHICH LAWS SHALL PREVAIL IN THE EVENT OF ANY CONFLICT OF LAW.

27.2. FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN THE STATE OF COLORADO AND THAT ANY ACTION SOUGHT TO BE BROUGHT BY EITHER PARTY, EXCEPT THOSE CLAIMS REQUIRED TO BE SUBMITTED TO ARBITRATION SHALL BE BROUGHT IN THE APPROPRIATE COURT WITH JURISDICTION IN BOULDER COUNTY, OR DENVER, STATE OF COLORADO. THE PARTIES DO HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSES OF CARRYING OUT THIS PROVISION.

27.3. NO RIGHT OR REMEDY CONFERRED UPON OR RESERVED TO FRANCHISOR OR FRANCHISEE BY THIS AGREEMENT IS INTENDED TO BE, NOR SHALL BE DEEMED, EXCLUSIVE OF ANY OTHER RIGHT OR REMEDY HEREIN OR BY LAW OR EQUITY PROVIDED OR PERMITTED, BUT EACH SHALL BE CUMULATIVE OF EVERY OTHER RIGHT OR REMEDY.

27.4. NOTHING HEREIN CONTAINED SHALL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT THAT SHALL CAUSE IT LOSS OR DAMAGES, UNDER THE USUAL EQUITY RULES, INCLUDING THE APPLICABLE RULES FOR OBTAINING RESTRAINING ORDERS AND PRELIMINARY INJUNCTIONS.

28. ARBITRATION

28.1. Any monetary claim arising out of or relating to this Agreement, or any breach thereof, excluding any claim relating to the confidential information or the Marks shall be submitted to arbitration in Boulder County or Denver County, State of Colorado, in accordance

with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award may be entered in any court having jurisdiction thereof. Nothing contained herein shall, however, be construed to limit or to preclude Franchisor from bringing any action in any court of competent jurisdiction for injunctive or other provisional relief as Franchisor deems to be necessary or appropriate to compel Franchisee to comply with his obligations hereunder or to protect the Marks or other property rights of Franchisor. In addition, nothing contained herein shall be construed to limit or to preclude Franchisor from joining with any action for injunctive or provisional relief, all monetary claims that Franchisor may have against Franchisee which arise out of the acts or omissions to act giving rise to the action for injunctive or provisional relief. This arbitration provision shall be deemed to be self-executing and in the event that Franchisee fails to appear at any properly noticed arbitration proceeding, award may be entered against Franchisee notwithstanding his failure to appear.

28.2. Nothing herein contained shall bar the right of either party to seek and obtain temporary injunctive relief from a State or Federal court of competent jurisdiction in accordance with applicable law against threatened conduct that shall cause loss or damage, pending completion of the arbitration.

28.3. It is the intent of the parties that any arbitration between Franchisor and Franchisee shall be of Franchisee's individual claim and that the claim subject to arbitration shall not be arbitrated on a class-wide basis.

28.4. Franchisee hereby consents and agrees that any disputes arising between Franchisor and Franchisee be submitted to arbitration as provided in Section 28.1 of this Agreement. Franchisor and Franchisee shall make all efforts to resolve their disputes during arbitration and before taking the dispute to a court.

28.5. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding.

29. FORCE MAJEURE

Whenever a period of time is provided in this Agreement for either party to do or perform any act or thing, except the payment of monies, neither party shall be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, war, government regulation or control or other causes beyond the reasonable control of the parties, and in any event said time period for the performance of an obligation hereunder shall be extended for the amount of time of the delay. This clause shall not apply or not result in an extension of the term of this Agreement.

30. ACKNOWLEDGMENTS

30.1 Receipt of Franchise Disclosure Document and Agreement. Franchisee acknowledges having received from Franchisor a copy of Franchisor's Franchise Disclosure Document ("**FDD**"), together with a copy of all proposed Exhibits and Agreements relating to the sale of the franchise, at one time and in one document in accordance with all applicable franchise

legislation, at least 14 days prior to signing this Agreement; or at least 14 days prior to any payment of any consideration by or on behalf of Franchisee to Franchisor or any of Franchisor's associates for the sale of this franchise.

30.2 Acknowledgements in Certain States. The following acknowledgements apply to all franchisees and Franchised Restaurants, except those that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

(a) No Reliance on Other Representations. No statement, representation or other act, event, or communication, except as set forth in this Agreement and in the FDD provided to Franchisee by Franchisor, is binding on Franchisor in connection with the subject matter of this Agreement. Franchisee acknowledges and agrees Franchisee has not been induced to enter into this Agreement in reliance upon, nor as a result of, any statements, representations, warranties, conditions, covenants, promises, or inducements, whatsoever, whether oral or written, and whether directly related to the contents hereof or collateral thereto, made by Franchisor, its officers, directors, agents, employees, or contractors except as provided herein.

(b) Opportunity to Review Agreement. Franchisee acknowledges Franchisee has received, has had ample time to read, and has read this Agreement, and all related agreements with Franchisor. Franchisee acknowledges Franchisor has advised Franchisee to obtain independent legal and accounting advice with respect to this Agreement and the transactions arising out of this Agreement. Franchisee further acknowledges Franchisee has had an adequate opportunity to be advised by legal, accounting, and other professional advisors of its own choosing regarding all pertinent aspects of the Franchised Restaurant, Franchisor, and this Agreement.

(c) Independent Investigation. Franchisee has conducted an independent investigation of the System and recognizes the Franchised Restaurant venture contemplated by this Agreement and its success involves substantial business risk and will be largely dependent upon the ability of Franchisee as an independent business person and its active participation in the daily affairs of the Franchised Restaurant. Franchisee hereby assumes the responsibility for its success or failure of the Franchised Restaurant.

(d) No Financial Performance Representations. Except as otherwise set forth in the FDD, Franchisor has not provided any statement, representation, or other act, event, or communication of actual, average, projected, forecasted or potential purchases, sale, cost, earnings, income, or profits to Franchisee.

(e) Disclaimer of Warranties. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any assurance, warranty, or guarantee, expressed or implied, as to the potential volume, profits, earnings, or success of the Franchised Restaurant contemplated by this Agreement.

30.3 No Waiver or Disclaimer of Reliance in Certain States. The following provision applies only to franchisees and Franchised Restaurants that are subject to the state franchise

disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

> 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.

31. MISCELLANEOUS PROVISIONS

31.1. Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify the requirements of Section 3.7 and other express limitations set forth in this Agreement.

31.2. Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees to exercise Franchisor's rights reasonably or in good faith, Franchisor will satisfy Franchisor's obligations whenever Franchisor exercises reasonable business judgment ("**Reasonable Business Judgment**") in making Franchisor's decision or exercising Franchisor's rights. Franchisor's decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Franchisor's financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System.

31.3. Collection of Information. In conducting the Franchised Restaurant, Franchisee acknowledges that it may or will collect personal information about its employees, customers and others. Franchisee shall in so doing comply with all applicable privacy legislation and shall make all reasonable efforts to prevent unauthorized collection, use, disclosure to or access by any third party, transfer, copying or disposal of any such personal information. Franchisee shall limit its collection of personal information to that which is reasonable and necessary to conduct the Franchised Restaurant. Franchisee will obtain written consent and take any other steps required by law so that Franchisee may legally disclose (Franchisor may legally collect, use and disclose) all personal information requested by Franchisor. Franchisee, on its own behalf, and on behalf of its principals, and the guarantors consents to Franchisor's collection use and disclosure of personal information as described below by Franchisor and further agrees as follows:

> (a) Franchisor will collect personal information from Franchisee and, if Franchisee is not an individual, from its principals (shareholders, directors, officers or partners) and its employees, as well as Franchisee's guarantors, customers and suppliers in

several ways, including from materials, statements and reports received by Franchisor or disclosed to Franchisor in accordance with this Agreement and the Manual;

(b) Personal information collected by Franchisor will be used by it to provide services to Franchisee pursuant to this Agreement, for various marketing, administration and other purposes related to the System, to protect the Trade Secrets and to ensure Franchisee complies with this Agreement, other applicable agreements and applicable laws, and for the purposes set forth in the Manual or in Franchisor's privacy policy;

(c) The personal information collected by Franchisor may be distributed by Franchisor to third parties for any of the purposes set forth in this Section. Franchisee also acknowledges that in the case of a proposed sale of shares or assets of Franchisor, some of Franchisee's financial information may be made available to potential purchasers of such shares or assets. Franchisor will endeavor to restrict disclosure of such information to qualified parties directly involved in the offer for sale or sale process and their professional advisors and financiers; and

(d) Franchisee will observe and perform all privacy rules and use all forms of privacy policy, consents, other privacy documents and otherwise which are from time to time set forth in the Manual or otherwise notified in writing by Franchisor. From the effective date of this Agreement, Franchisee will implement the privacy policy and related documents and procedures currently described in the Manual.

31.4. Payments. All payments to be made by Franchisee to Franchisor under this Agreement will be made (i) without set off, counterclaim or other defense, and (ii) except for income taxes levied in the United States of America, free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature ("**Taxes**") now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein with respect to such payments and all interest, penalties or similar liabilities with respect thereto. If Franchisee or any other person is required by any law or regulation to make any deduction or withholding on account of any Taxes from any payment to Franchisor due under this Agreement, Franchisee shall, together with such payment, pay such additional amount as to ensure that Franchisor receives full payment. Franchisee represents and warrants to Franchisor that the full amount of any such deductions or withholding shall be timely paid over to the relevant authorities and Franchisee shall promptly forward to Franchisor copies of official receipts or other evidence satisfactory to Franchisor regarding such payment. Franchisee shall also agree to fully indemnify and hold Franchisor harmless, and reimburse Franchisor upon its written request, for the amount of any Taxes so levied or imposed and paid by Franchisor.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Agreement in multiple copies this ____ day of _____, 20____.

eMAX'S, LLC (Franchisor)	(Franchisee)
By:_____	By: _____
Name: William E. Rodgers	Name: _____
Title: Managing Director	Title: _____
Signature _____	Signature _____

STATE OF _____)
COUNTY OF _____)

Be it remembered, that on this _____ day of _____, 20___, before me, the subscriber, a Notary Public in and for said State, personally appeared _____ to me personally known and known to be the same person whose name is signed to the foregoing instrument, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal on the day and year last aforesaid.

My Commission Expires:

_____ _____
Notary Public

STATE OF _____)
COUNTY OF _____)

Be it remembered, that on this ____ day of _____, 20__, before me, the subscriber, a Notary Public in and for said State, personally appeared _____, president/general partner/managing member of _____, the corporation/partnership/other entity (A business entity whose name is subscribed to and which executed the foregoing instrument, and for himself or herself and as such officer and for and on behalf of said business entity, acknowledged the signing and execution of said instrument, and that the signing and execution of said instrument is his or her free and voluntary act and deed as such officer, and the free and voluntary act and deed of said business entity, for the uses and purposes in said instrument mentioned).

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal on the day and year last aforesaid.

My Commission Expires:

_____ _____
Notary Public

GUARANTY AND ASSUMPTION OF OBLIGATIONS TO THE FRANCHISE AGREEMENT

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ___ day of _____, 20__ by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of given date herewith (the "**Agreement**") by eMAX'S, LLC ("**Franchisor**"), each of the undersigned hereby personally and unconditionally (1) guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that ("**Franchisee**") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (2) shall be personally bound by, and personally liable for the breach of each and every provision in the Agreement. Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (4) any right he or she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) any and all other notices and legal or equitable defenses to which he or she may be entitled.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this guaranty shall be joint and several; (2) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	**PERCENTAGE OF OWNERSHIP IN FRANCHISE**
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

ATTACHMENT A

INITIAL FRANCHISE FEE, AUTHORIZED LOCATION, DESIGNATED AREA, REQUIRED OPEN DATE AND LEASE

1. INITIAL FRANCHISE FEE

Pursuant to Section 1.6 of the Franchise Agreement, the Initial Franchise Fee is:

☐ $50,000 for a flagship format Franchised Restaurant.

☐ $50,000 for a fast casual format Franchised Restaurant.

☐ $15,000 for a TO GO format Franchised Restaurant.

2. AUTHORIZED LOCATION

Pursuant to Section 1.1 of the Franchise Agreement, Franchisor grants to Franchisee the right and license to establish and operate a Franchised Restaurant as Franchisor may direct, to be located at the following Authorized Location.

3. DESIGNATED AREA

Pursuant to Section 1.2 of the Franchise Agreement, Franchisee must locate and operate the Restaurant at an Authorized Location within the following Designated Area.

4. REQUIRED OPEN DATE

Pursuant to Section 1.3 of the Franchise Agreement, Franchisee agrees that the Franchised Restaurant will be open and operating by following Required Open Date: _____.

5. LEASE

The Lease with respect to Premises located at the Authorized Location is attached.

[*Signature Page to Follow*]

eMAX'S, LLC (Franchisor)	(Franchisee)
By:_____	By: _____
Name: William E. Rodgers	Name: _____
Title: Managing Director	Title: _____
Signature _____	Signature _____

ATTACHMENT B

EFT AUTHORIZATION

PAYEE	BANK NAME	ACCOUNT NO.
EMAX'S, LLC	_____	_____

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, drafts, orders and electronic debits (collectively "**debits**") drawn on such account which are payable to the above-named Payee. It is agreed that the Depository's rights with respect to each such debit will be the same as if it were a check drawn and signed by the Depositor. It is further agreed that if any such debit is not honored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever. This authorization will continue in force until the Depository and the Payee have received at least thirty (30) days written notification from the Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

(1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.

(2) To indemnify the Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

(3) To defend, at the Depositor's own cost and expense, any action which might be brought by any persons or Entities because of any actions taken by the Depository or the Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or the Payee's participation therein.

Name of Franchisee's Bank ("**Depository**"):_____

Bank Address:_____
Address, City, State, Zip Code

Bank Telephone Number:_____ Bank Fax Number:_____

Account No.: _____ Routing No.:_____

(Please attach one voided check for the above account.)

Name of Franchisee ("**Depositor**") as Listed on Account:_____

Franchisee's Restaurant Address:_____
Address, City, State, Zip Code

Franchisee's Telephone Number:_____

By_____ _____
Franchisee's Authorized Representative Title

Date:_____, 20___

EXHIBIT D:

FORM OF AREA DEVELOPMENT AGREEMENT

eMAX'S, LLC

EXHIBIT D

AREA DEVELOPMENT AGREEMENT

Area Developer:_____

Date:_____

Designated Territory:_____

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ATTACHMENTS:

Attachment A: Description of Designated Territory, Formats, and Area Development Fee
Attachment B: Development Schedule

eMAX'S, LLC
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement ("this Agreement"), made this ____ day of _____, 20__, by and between eMAX'S, LLC, a Colorado limited liability company, having its principal place of business at 1350 Pine St., Suite 6, Boulder, CO 80302 ("**Franchisor**"), and _____, having her principal place of business at _____ ("**Developer**").

WITNESSETH:

WHEREAS, Franchisor is the owner of a unique system ("**System**"), identified by the Marks "**MAX'S RESTAURANT CUISINE OF THE PHILIPPINES®**", "**MAX'S OF MANILA®**", "**MAX'S OF MANILA** and the design**®**" hereinafter collectively referred to as the marks ("**Marks**"), relating to the establishment, development and operation of (i) a casual, family-oriented restaurant facility providing on-premises dining services, carry-out and delivery service (with Franchisor's approval), featuring Filipino-style cuisine, including, but not limited to, appetizers, chicken, beef, pork, fish, shrimp, fried rice, noodles, vegetables, and desserts, and other food and beverage products, all prepared in accordance with specified recipes and procedures ("**Menu Items**"); (ii) has developed a proprietary line of specially formulated sauces, spice mixes and other food products ("**Trade Secret Food Products**"); (iii) has developed certain presentation, packaging and marketing standards and techniques for all Menu Items and Trade Secret Food Products; and (iv) may develop certain jackets, T-shirts, hats, other apparel items and licensed merchandise bearing the Marks ("**Trademarked Products**") which may be introduced into System (collectively "**Franchised Restaurant**"); and

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior layout, design and color scheme; exclusively designed signage, decorations, furnishings and materials; special recipes, formulae, menus and food and beverage designations; the MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® Confidential Operations Manual ("**Manual**") including, but not limited to, food and beverage storage, preparation and service procedures and techniques; operating procedures for sanitation and maintenance; and methods and techniques for inventory and cost controls, record keeping and reporting, cashiering, personnel management, purchasing, sales promotion and advertising, and specially designed proprietary Software ("**Proprietary Software**") (if developed); all of which may be changed, improved and further developed by Franchisor from time to time; and

WHEREAS, Franchisor is the owner of the Marks, associated logos, commercial symbols and such other trade names, service marks and trademarks as are now designated (and may hereinafter be designated by Franchisor in writing) as part of the System; and

WHEREAS, Franchisor shall continue to develop, use and control such Marks for the benefit and use of Franchisor and Franchisor's franchisees in order to identify for the public the source of food products and services marketed thereunder and to represent the System's high standards of quality regarding Menu Items, operations, food products, ingredients, appearance and service; and

WHEREAS, Franchisor grants to qualified persons Franchises to own and operate Franchised Restaurants offering food products and services authorized and approved by Franchisor and utilizing the System and Marks; and

WHEREAS, Developer desires to operate multiple Franchised Restaurants using the System and Marks and has applied for the first such franchise, which application has been approved by Franchisor in reliance upon all of the representations made therein; and

WHEREAS, Developer understands and acknowledges the importance of Franchisor's high and uniform standards of quality, operations and customer service and the necessity of operating the Franchised Restaurant in conformity with Franchisor's standards and specifications; and

WHEREAS, the term "**Developer**" shall include all persons who succeed to the interest of the original Developer by permitted transfer or operation of law and shall be deemed to include not only the individual or entity defined as "**Developer**" in the introductory paragraph of this Agreement, but shall also include all partners of the entity that execute this Agreement, in the event said entity is a partnership, all shareholders, officers and directors of the entity that execute this Agreement, in the event said entity is a corporation, and any managing members of a limited liability company of the entity that execute this Agreement, in the event said entity is a limited liability company. If Developer is a married couple, both husband and wife executing this Agreement shall be liable for all obligations and duties of Developer hereunder as if such spouse were the sole Developer hereunder. If Developer is a trust, each trustee, grantor, and beneficiary signing this Agreement shall be liable for all of the obligations and duties of Developer hereunder. By their signatures hereto, all partners, shareholders, officers and directors of the entity that sign this Agreement as Developer acknowledges and accepts the duties and obligations imposed upon each of them, individually, by the terms of this Agreement. All partners of the entity that execute this Agreement, in the event said entity is a partnership, and all shareholders, officers and directors of the entity that execute this Agreement, in the event said entity is a corporation, shall execute the Guaranty and Assumption of Obligations contained herein, pursuant to which all obligations and duties of Developer are guaranteed by such individuals. Should Developer be in breach or default under this Agreement, Franchisor may proceed directly against each such spouse, partner, proprietor, signatory to this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary without first proceeding against Developer and without proceeding against or naming in such suit any other Developer, partner, proprietor, signatory to this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary. The obligations of Developer and each such spouse, partner, proprietor, person executing this Agreement, shareholder, trustee, settlor, and beneficiary shall be joint and several. Notice to or demand on one (1) spouse, partner, proprietor, person signing this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary shall be deemed notice to or demand upon Developer and all such spouses, partners, proprietors, persons signing this Agreement, trustees, settlors, owners, principals, and beneficiaries, and no notice or demand need be made to or upon all such Developers, spouses, partners, proprietors, persons executing this Agreement, shareholders, trustees, settlors, owners, principals, or beneficiaries. The cessation of or release from liability of Developer or any such spouse, partner, proprietor, person executing this Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary shall not relieve any other Developer or any such spouse, partner, proprietor, person executing this

Agreement, shareholder, trustee, settlor, owner, principal, or beneficiary from liability hereunder, except to the extent that the breach or default has been remedied or monies owned have been paid.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other set forth in this Agreement, hereby agree as follows:

1. APPOINTMENT AND DEVELOPMENT FEE

1.1. Franchisor hereby grants to Developer, upon the terms and conditions herein contained, options to obtain franchises (under Franchise Agreements) to operate Franchised Restaurants within the territory described in **Attachment** A attached hereto and incorporated herein by this reference ("**Designated Territory**"). Franchised Restaurants means those facilities authorized and approved from time to time by Franchisor to use Franchisor's System and Marks.

1.2. Developer shall be bound by the development schedule ("**Development Schedule**") set forth in **Attachment** B of this Agreement. Each Franchised Restaurant shall be established and operated pursuant to a separate and then current form of the Franchise Agreement to be entered into by Developer and Franchisor pursuant to Section 2.2.

1.3. Franchisor shall not establish, nor franchise anyone other than Developer to establish any Franchised Restaurant in the Designated Territory prior to the expiration of the development schedule set forth in **Attachment** B. Franchisor retains the right, at all times, to grant other Area Development Agreements or individual franchises or establish Affiliate-Owned branches under the same or different Marks outside the Designated Territory as Franchisor, in its sole discretion, deems appropriate, except as provided in Section 3.3 herein.

1.4. Should Franchisor, upon the expiration or termination of this Agreement wish to establish additional Franchised Restaurants within the Designated Territory, it shall first, provided Developer is in substantial compliance with this Agreement and all other agreements entered into with Franchisor, extend a 30-day right of first refusal to Developer to undertake such new development in accordance with Section 3.2 herein.

1.5. This Agreement is not a franchise agreement, and Developer shall have no right to use in any manner the Marks by virtue of it. Developer shall have no right under this Agreement to franchise others to operate a Franchised Restaurant or use the System or the Marks.

1.6. Developer shall submit a separate application for each Franchised Restaurant to be established within the Designated Territory by Developer. A separate Franchise Agreement shall be executed for each such Franchised Restaurant. The initial franchise fee ("**Initial Franchise Fee**") is due and owing in accordance with the terms of the Franchise Agreement. Upon execution of each Franchise Agreement, the terms and conditions of such Franchise Agreement shall control the establishment and operation of such Franchised Restaurant.

1.7. Simultaneous with the execution of this Agreement, Developer shall execute a Franchise Agreement for the first Franchised Restaurant to be developed.

1.8. As consideration for the rights and options granted herein, Developer must pay to Franchisor, upon signing this Agreement, an area development fee ("**Area Development Fee**") in

the amount designated in **Attachment A**. This Area Development Fee shall be deemed fully earned and non-refundable upon payment and is to compensate Franchisor for the grant of these rights and options. The Area Development Fee is not refundable if Developer does not open the number of Franchised Restaurants to be opened by Developer, as set forth in **Attachment B**, during the term of this Agreement, as set forth in Section 2.

2. DEVELOPMENT SCHEDULE AND MANNER OF EXERCISING OPTIONS

2.1. Developer shall be bound by and strictly follow the Development Schedule set forth in **Attachment** B. By the dates set forth under the Development Schedule ('**Option Periods**"), Developer shall exercise options and enter into Franchise Agreements with the Franchisor pursuant to this Agreement for the number of Franchised Restaurants described under the Development Schedule. Developer shall at all times after the expiration of each of the Option Periods continuously maintain in operation pursuant to each Franchise Agreement at least the number of Franchised Restaurants set forth on the Development Schedule, provided, however, that such obligation does not apply to facilities that are closed due to force majeure.

2.2. Developer shall exercise each option granted herein only as follows:

(a) By giving Franchisor written notice of Developer's intention to exercise such option at least 30 days before the execution of the Franchise Agreement for the applicable Franchised Restaurant, and

(b) By executing the then-current Franchise Agreement for the applicable Franchised Restaurants under this Agreement and complying with its terms, including, without limitation, the payment of applicable Initial Franchise Fees.

2.3. Franchisor shall execute the Franchise Agreement only if (i) the Developer is in compliance with all requirements and obligations of this Agreement and all other agreements between Franchisor and Developer, and (ii) Developer is in compliance with all of its respective obligations under any Franchise Agreement. In order to meet the Development Schedule, the Franchise Agreement must be exercised by the Developer within the applicable Option Period. Developer must comply with all of the terms and conditions of each Franchise Agreement.

3. TERM

3.1. Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all rights granted hereunder shall expire on the date of Franchisor's acceptance and execution of a Franchise Agreement for the last Franchised Restaurant granted under this Agreement.

3.2. Should Developer desire to establish and operate within the Designated Territory any Franchised Restaurants in addition to the Franchised Restaurants set forth on **Attachment** B, Developer shall make application for such to Franchisor. Provided Developer has complied with the terms of this Agreement and subject to the approval of Franchisor, which may be withheld by Franchisor at its discretion for any reason, Developer shall be granted such additional options for additional Franchised Restaurants, and Developer shall pay the then-current Area Development Fee and Initial Franchise Fee being charged to Developers for the corresponding number of

Franchised Restaurants and execute the then-current Franchise Agreement for each such Franchised Restaurant.

3.3. The individual terms, including renewal terms, of the Franchise Agreements entered into under this Agreement and covering Franchised Restaurants within the Designated Territory shall all be extended, at termination of this Agreement, to end at the same time as the term, including renewal terms, of the last Franchise Agreement signed by Developer under this Agreement or any extension or addition to this Agreement.

4. DUTIES OF DEVELOPER

In addition to other duties under this Agreement, Developer shall perform the following obligations:

4.1. Developer shall comply with all requirements of federal, state, and local laws, rules, and regulations.

4.2. Should Developer at some time in the future desire to make a private offering of its securities, prior to such offering and sale, and prior to the release of any statements, data, or other information of any kind relating to the proposed offering of Developer's securities, Developer shall secure Franchisor's prior written approval of any and all press releases, news releases, and any and all other publicity, the primary purpose of which is in generating interest in the offering. Only after written approval has been given by Franchisor may Developer proceed to file, publish, issue, and release and make public any said data, material, and information regarding its securities offering. It is specifically understood that such review by Franchisor is solely for its own information, and its approval shall not constitute any kind of authorization, acceptance, agreement, endorsement, approval, or ratification of the same, either expressly or implied, and Developer shall make no oral or written notice of any kind whatsoever indicating or implying that Franchisor and/or related corporations or persons have any interest in the relationship whatsoever to the proposed offering other than acting as Franchisor. Developer agrees to indemnify and hold harmless Franchisor and its owners, directors, officers, employees, successors, and assigns from all claims, demands, costs, fees, charges, liability or expenses (including attorney's fees) of any kind whatsoever arising from Developer's offering of information published or communicated in actions taken with regard thereto.

5. PROPRIETARY MARKS AND CONFIDENTIALITY

5.1. Notwithstanding any provision to the contrary under this Agreement, it is understood and agreed that this Agreement does not grant Developer any right to the use of the Marks or to use any of Franchisor's Trade Secrets (and/or confidential information), as defined below. Further, it is understood and agreed that this Agreement does not grant Developer any rights to any Copyrighted Works or patent which the Franchisor or its affiliates now owns or may hereinafter own. Rights to the Marks, Trade Secrets (and/or confidential information), Copyrighted Works, or patents are granted only under the Franchise Agreements to be executed by Franchisor and Developer.

5.2. Developer and its owners, officers, members and directors, if any, acknowledge that their entire knowledge of the operation of a business including the knowledge or know-how

regarding the specifications, standards, and operating procedures of the services and activities of the Franchised Restaurant ("**Trade Secrets**"), is derived information disclosed to Developer by Franchisor and that certain of such information is proprietary, confidential, and a Trade Secret of Franchisor as set forth in the Franchise Agreement.

5.3. Developer and its owners, officers, members and directors, if any, shall divulge such Trade Secrets and confidential information only to such of its employees as must have access to it in order to perform obligations under this Agreement. Any and all information, knowledge, and know-how of Franchisor, including, without limitation, the Manual, specifications and standards concerning the operation of the Restaurant Franchise and other materials and information provided to Developer by Franchisor which Franchisor designates as confidential, shall be deemed confidential for purposes of this Agreement, except information which Developer can demonstrate lawfully came to its attention prior to disclosures thereof by Franchisor, or which, at the time of disclosure by Franchisor to Developer, had lawfully become a part of the public domain, through publication or communication by others, or which, after disclosure to Developer by Franchisor, lawfully becomes a part of the public domain, through publication or communication by others. All references in this Agreement to the Manual include the entire series of Manuals that Franchisor may designate as the Manual.

5.4. Due to the special and unique nature of the Trade Secrets, confidential information, proprietary marks, and Manual of Franchisor, Developer and its owners, officers, members and directors, if any, hereby jointly and severally agree and acknowledge that Franchisor shall be entitled immediate equitable remedies, including but limited to, restraining orders and injunctive relief if order to safeguard such proprietary, confidential, unique, and special information of Franchisor and that money damages alone may be an insufficient remedy with which to compensate Franchisor for any breach of the terms of Section 5 of this Agreement. Furthermore, Developer agrees that all employees of Developer having access to the Trade Secrets, confidential and proprietary information of Franchisor and any owners, officers, directors, or other employees designated by Franchisor shall be required to execute confidentiality agreements acceptable to Franchisor.

5.5. Developer is granted access to certain confidential information and Trade Secrets pertaining to the System only pursuant to an individual Franchise Agreement executed between Developer and Franchisor, and the foregoing paragraphs are not intended, and shall not be interpreted to grant or entitle Developer to receive any such confidential information or Trade Secrets pursuant to this Agreement.

6. FRANCHISOR'S OPERATIONS ASSISTANCE

Terms of the individual Franchise Agreement notwithstanding, Franchisor shall only be obligated to provide pre-opening training and post-opening assistance for the Franchised Restaurant to Developer with respect to the first and second Franchised Restaurants to be established hereunder, and thereafter at the sole discretion of Franchisor upon request from the Developer.

7. DEFAULT AND TERMINATION

7.1. The options and territorial exclusivity granted to Developer in this Agreement have been granted in reliance on Developer's representations and warranties, and strictly on the conditions set forth in Sections 1 and 2 of this Agreement, including without limitation, the condition that Developer comply strictly with the Development Schedule set forth in **Attachment B** and pay any Area Development Fee set forth in Section 1.8 and **Attachment A** of this Agreement.

7.2. Developer shall be deemed in default under this Agreement, and all rights granted herein shall automatically terminate without notice if Developer shall become insolvent by reason of any affirmative act of insolvency by Developer, or the filing by trustee, or an assignment by Developer for the benefit of creditors, or the failure to vacate or dismiss within 30 days after filing any such proceedings commenced against Developer by a third party, or termination or default under the terms and conditions set forth in the individual Franchise Agreements under this Agreement.

7.3. If Developer fails to exercise an option prior to the option's expiration date as set forth in **Attachment** B of this Agreement, fails to comply with any other terms and conditions of this Agreement, fails to comply with the terms and conditions of any individual Franchise Agreement between Developer and Franchisor, or makes or attempts to make a transfer or assignment in violation with Section 8.3 hereof, such action shall constitute a default under this Agreement. Upon such default, Franchisor, in its discretion, may do any one or more of the following:

(a) Terminate this Agreement and all rights granted hereunder without affording Developer any opportunity to cure the default, effective immediately upon receipt by Developer of written notice from Franchisor;

(b) Reduce the number of Franchised Restaurants to be developed under this Agreement;

(c) Terminate or reduce in any manner, in Franchisor's discretion, the territorial exclusivity granted to Developer in Section 1 hereof; and

(d) Exercise any other rights and remedies which Franchisor may have.

7.4. Upon termination of this Agreement, all remaining options granted Developer to establish Franchised Restaurants under this Agreement shall automatically be revoked and shall be null and void. Developer shall have no right to establish or operate any business for which a Franchise Agreement has not been executed by Franchisor. Franchisor shall be entitled to establish, and to license others to establish, Franchised Restaurants in the Designated Territory and except as may be otherwise provided under any Franchise Agreement which has been executed between Franchisor and Developer, or Developer's affiliates, and which has not been terminated.

7.5. No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy provided or permitted by law or equity.

8. TRANSFERABILITY OF INTEREST

8.1. Franchisor shall have the right to assign this Agreement and all of its rights and privileges hereunder, to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing the obligations of Franchisor hereunder; and (ii) the assignee shall expressly assume and agree to perform such obligations.

(a) Specifically, and without limitation to the foregoing, Developer expressly affirms and agrees that Franchisor may sell or pool its assets or stock, the Marks or its System outright to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations or entities or be acquired by another corporation or entity; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® as Franchisor hereunder.

(b) Nothing contained in this Agreement shall require Franchisor to franchise or to offer products manufactured by it or any related company, whether or not bearing the Marks, in the event that Franchisor exercises its rights hereunder to assign its rights in this Agreement.

8.2. Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer and are granted in reliance upon the personal qualifications of Developer. Developer has represented to Franchisor that Developer is entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the development and option rights hereunder.

8.3. Neither Developer nor any partner of Developer (if Developer is a partnership), member of Developer (if Developer is a limited liability company) or shareholder of Developer (if Developer is a corporation), without Franchisor's prior written consent, by operation of law or otherwise shall sell, assign, transfer, convey, give away or encumber to any person, firm, corporation or other entity, all or any part of its interest in this Agreement or its interest in the development rights granted hereby or its interest in any proprietorship, partnership, limited liability company or corporation which owns any interest in the Developer, nor offer, permit or suffer the same to be sold, assigned, transferred, conveyed, given away or encumbered in any way to any person, firm, corporation or other entity. Developer may not, without the prior written consent of Franchisor, fractionalize any of the rights of development granted pursuant to this Agreement. The following restrictions on transferability also apply to any purported transfers through a shell, or through divorce, separation, or bankruptcy proceedings. Any purported assignment of any of Developer's rights herein not having the aforesaid consent shall be null and void and shall constitute a material default hereunder.

8.4. Franchisor shall not unreasonably withhold its consent to any transfer referenced in Section 8.3 of this Agreement when requested; provided, however, that the following conditions and requirements shall first be met to the full satisfaction of Franchisor;

(a) If Developer is an individual or partnership and desires to assign and transfer its rights to a corporation or limited liability company:

(i) Said transferee corporation or limited liability company shall be newly organized and shall agree that its activities shall be confined exclusively to acting as a Developer of Franchised Restaurants under this Agreement,

(ii) Developer shall be and shall remain the owner of the majority stock interest of the transferee corporation or majority membership interest of the transferee limited liability company,

(iii) The individual Developer (or, if Developer is a partnership, one of the partners) shall be and shall remain the principal executive officer of the transferee corporation or limited liability company,

(iv) The transferee corporation or limited liability company shall enter into a written assignment (in a form satisfactory to Franchisor) in which the transferee corporation or limited liability company assumes all of Developer's obligations hereunder,

(v) All shareholders of the transferee corporation or members of the transferee limited liability company shall enter into a written agreement, in a form satisfactory to Franchisor, jointly and severally guaranteeing the full payment and performance of the transferee corporation's or limited liability company's obligations to Franchisor under this Agreement.

(vi) Each stock certificate of the transferee corporation shall have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement,

(vii) The operating agreement of the transferee limited liability company and certificates of membership interests (if any) shall be in writing and shall conspicuously state that all membership interests are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement,

(viii) No new shares of common or preferred voting stock in the transferee corporation or membership interests (of whatever nature) in the transferee limited liability company shall be issued to any person, partnership, trust, foundation, limited liability company or corporation without obtaining Franchisor's prior written consent and then only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the stock or membership interests, and

(ix) All accrued money obligations of Developer to Developer's suppliers, Franchisor, its subsidiaries or assignees, shall be satisfied prior to assignment or transfer.

(b) If the transfer, other than such transfer as is authorized under Section 8.4(a) of this Agreement, if consummated alone or together with other related previous, simultaneous or proposed transfers, would have the effect of transferring control of the Developer to someone other than an original signatory of this Agreement, Developer or its owners shall obtain a bone fide, executed written offer from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to Franchisor, which shall, for a period of 30 days from the date of delivery of such offer, have the right, exercisable by written notice to Developer or its owners, to purchase such rights under this Agreement or such ownership interests for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer and that Franchisor shall have not less than 60 days for closing. If Franchisor does not exercise this right of first refusal, Developer or its owners, as applicable, may complete the sale of such interest in this Agreement, or such ownership interest, subject to Franchisor's approval of the purchaser as provided below, provided that if such sale is not completed within 60 days after delivery of such offer to Franchisor, Franchisor shall again have the right of first refusal, provided:

(i) The transferee(s) shall be of good moral character and reputation and shall have a good credit rating and competent business qualifications reasonably acceptable to Franchisor. Developer shall provide Franchisor with such information as Franchisor may require to make such determination concerning each such proposed transferee,

(ii) The transferee(s) or such other individual(s) as shall be the actual manager of Developer shall have successfully completed and passed the training course then in effect for Developer or shall have otherwise demonstrated to Franchisor's satisfaction, sufficient ability to establish and supervise the agreed-upon Franchised Restaurants,

(iii) The transferee(s) including all shareholders, officers, directors, members, managers, governors and partners of the transferee(s) shall jointly and severally execute any or all of the following, at Franchisor's sole discretion and as Franchisor shall direct:

A. This Agreement and other standard ancillary agreements with Franchisor on the then-current standard forms being used by Franchisor, including, but not limited to, paying an Area Development Fee for the remaining units to be opened, and

B. A written assignment from Developer in a form satisfactory to Franchisor, wherein transferee shall assume all of Developer's obligations hereunder,

(iv) Approval by Franchisor of any transfer by Developer of the development rights and options herein granted or any of Developer's rights under this Agreement shall in no way be deemed a release by Franchisor of Developer's obligations pursuant to this Agreement. Consent by Franchisor to a transfer of the development agreement shall not constitute or be interpreted as consent for any future transfer thereof,

(v) The term of said agreements required pursuant to Section 8.4(b)(iii) shall be for the unexpired term of this Agreement and for any extensions or renewals as provided herein,

(vi) If transferee is a limited liability company or corporation:

A. Each stock certificate of the transferee corporation shall have conspicuously endorsed upon it a statement that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement,

B. The operating agreement of the transferee limited liability company and certificates of membership interests (if any) shall be in writing and shall conspicuously state that all membership interests are held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement,

C. No new shares of common or preferred voting stock in the transferee corporation shall be issued to any person, partnership, trust, foundation, limited liability company, corporation or other entity without obtaining Franchisor's prior written consent and then only upon disclosure of the terms and conditions contained herein being made to the prospective new holders of the stock, and

D. All shareholders of the transferee corporation or members of the limited liability company shall enter into a written agreement, in a form satisfactory to Franchisor, guaranteeing the performance of the transferee corporation of all obligations under this Agreement,

(vii) All accrued money obligations of Developer to Developer's suppliers, to Franchisor, any parent, subsidiary or affiliate(s) or assignee(s) of Franchisor, shall be satisfied prior to assignment or transfer, and Developer shall not be in default under the terms of this Agreement, and

(viii) Developer, prior to the transfer, shall execute a general release, in a form prescribed by Franchisor, of any and all existing claims against Franchisor, any parent, subsidiary or affiliate(s) of Franchisor, and their respective officers, directors, agents and employees, except such claims as are not permitted to be waived under applicable law.

(c) Developer shall have fully paid and satisfied all of Developer's obligations to Franchisor, and the transferee or Developer shall have fully paid to Franchisor a transfer fee of $10,000 at the time of the transfer, for administrative costs, overhead, counsel fees, accounting and other Franchisor expenses in connection with the transfer. This transfer fee shall not apply to an assignment of interest to a corporation or limited liability company under Section 8.2(a) of this Agreement; and

(d) No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Agreement or in the development and option rights granted thereby, shall relieve Developer and the shareholders, members or partners participating in any transfer of the obligations of the covenants contained in Section 9, except where Franchisor shall expressly authorize in writing.

8.5. Developer must, within 30 days of receipt of an offer to buy, give Franchisor written notice whenever Developer or any of its owners has received an offer to buy Developer's or such owner's interest in this Agreement or any options pursuant to this Agreement. Developer must also give Franchisor written notice simultaneously with any offer to sell the development rights made by, for or on behalf of Developer.

9. COVENANTS

9.1. Developer covenants that during the term of this Agreement, except as otherwise approved in writing by Franchisor, Developer (if Developer is an individual), the single biggest shareholder of the securities of Developer (if Developer is a corporation), a general partner of Developer (if Developer is a partnership), the managing member of Developer (if Developer is a limited liability company) or Developer's store manager ("**Store Manager**") shall devote full-time energy and best efforts to the establishment, management and operation of the Franchised Restaurants.

9.2. Developer covenants that, during the term of this Agreement, it will not divert or attempt to divert any business or customer to a competitor, or perform any act which may harm the goodwill associated with the Marks and the System; employ or seek to employ any person then employed by Franchisor or another developer or franchisee of Franchisor, or otherwise cause that person to leave his or her employ. Developer will also be bound by and comply with the covenants in each Franchise Agreement it signs with Franchisor. The covenants apply even if Developer's interest in the Area Development Agreement has been transferred, terminated or expires, except that covenants not to compete shall last for 2 years in any area and for 5 years within 5 miles of any MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® Restaurant.

9.3. Each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 9 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Developer shall be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 9.

9.4. Developer understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 9 in this Agreement, or any portion thereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof, and Developer shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 15 hereof.

9.5. Franchisor shall have the right to require all of Developer's officers, directors, shareholders, general partners, limited partners, personnel performing managerial or supervisory functions and all personnel receiving training from Franchisor, to execute similar covenants in a form satisfactory to Franchisor.

9.6. In addition to the foregoing covenants, Developer shall be bound by and comply with the covenants contained in each Franchise Agreement executed by Franchisor and Developer.

10. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, delivered by courier, or by registered mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:	William E. Rodgers Managing Director eMax's, LLC 1350 Pine St. Suite 6 Boulder, CO 80302
Courtesy Copy to:	Robert F. Trota President Max's of Manila, Inc. 313 W. Broadway Glendale, CA 91204
With a copy (which shall not constitute notice) to:	Michael A. Maciszewski, Esquire Mauka Legal, LLC 970 Saint Andrews Lane Louisville, CO 80027 Telephone: (303) 819-0234
Notices to Developer:	_____ _____ _____
Courtesy Copy to:	_____ _____

Any notice by certified mail shall be deemed to have been given at the date and time of mailing.

11. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

11.1. This Agreement does not create a fiduciary relationship between the parties and does not constitute Developer as an agent, legal representative, joint venturer, partner, employee or servant of Franchisor for any purpose whatsoever. Developer may not represent to third parties that it is an agent of Franchisor and it is understood between the parties hereto that Developer shall be an independent contractor and is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on behalf of Franchisor. Developer shall not, without the prior written approval of Franchisor, have any power to obligate Franchisor for any expenses, liabilities, or other obligations, other than as is specifically provided for in this Agreement. Franchisor shall not have the power to hire or fire Developer's employees and, except as herein expressly provided, Franchisor may not control or have access to Developer's funds or the expenditures thereof, or in any other way exercise dominion or control over Developer's development business and Franchised Restaurant. It is expressly understood and agreed that neither Developer nor any employee of Developer whose compensation for services is paid by Developer may, in any way, directly or indirectly, expressly or by implication, be construed to be an employee of Franchisor for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings levied or fixed by any city, state, or federal governmental agency.

11.2. DEVELOPER SHALL CONSPICUOUSLY IDENTIFY ITSELF AND ITS FRANCHISED RESTAURANT PREMISES AND IN ALL DEALINGS WITH CLIENTS, CONTRACTORS, SUPPLIERS, PUBLIC OFFICIALS, AND OTHERS, AS AN INDEPENDENT DEVELOPER OF FRANCHISOR, AND SHALL PLACE SUCH NOTICE OF INDEPENDENT OWNERSHIP ON ALL FORMS, BUSINESS CARDS, STATIONARY, ADVERTISING, SIGNS, AND OTHER MATERIALS AND IN SUCH FASHION AS FRANCHISOR MAY, IN ITS SOLE AND EXCLUSIVE DISCRETION, SPECIFY AND REQUIRE FROM TIME TO TIME, IN ITS MANUAL (AS SAME MAY BE AMENDED FROM TIME TO TIME) OR OTHERWISE.

11.3. EXCEPT AS OTHERWISE EXPRESSLY AUTHORIZED BY THIS AGREEMENT, NEITHER PARTY HERETO WILL MAKE ANY EXPRESS OR IMPLIED AGREEMENTS, WARRANTIES, GUARANTEES, OR REPRESENTATIONS OR INCUR ANY DEBT IN THE NAME OR ON BEHALF OF THE OTHER PARTY, OR REPRESENT THAT THE RELATIONSHIP BETWEEN FRANCHISOR AND DEVELOPER IS OTHER THAN THAT OF FRANCHISOR AND DEVELOPER. FRANCHISOR DOES NOT ASSUME ANY LIABILITY, AND WILL NOT BE DEEMED LIABLE, FOR ANY AGREEMENTS, REPRESENTATIONS, OR WARRANTIES MADE BY DEVELOPER WHICH ARE NOT EXPRESSLY AUTHORIZED UNDER THIS AGREEMENT, NOR WILL FRANCHISOR BE OBLIGATED FOR ANY DAMAGES TO ANY PERSON OR PROPERTY WHICH DIRECTLY OR INDIRECTLY ARISE FROM OR RELATE TO THE OPERATION OF THE FRANCHISED RESTAURANTS FRANCHISED HEREBY.

11.4. Developer agrees at all times to defend, at its own cost, and indemnify and hold harmless to the fullest extent permitted by law, Franchisor, its corporate parent, the corporate subsidiaries, affiliates, successors, assigns and designees or either entity, and the respective shareholders, directors, officers, employees, representatives, and agents of each (Franchisor and all other hereinafter referred to collectively as "**Indemnities**"), from and against any and all losses, costs, expenses (including attorneys' fees), damages and liabilities (as hereinafter defined), incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises out of or is based upon any of the following: Developer's alleged infringement of any other violation or any other alleged violation any patent, mark, or copyright or other proprietary right owned or controlled by third parties; Developer's alleged violation or breach of any contract, federal, state, or local law, regulation, ruling, standard, or directive or of any industry standard, libel, slander, or any other form of defamation by Developer; Developer's alleged violation or breach of any warranty, representation, agreement, or obligation in this Agreement; any acts, errors, or omissions of Developer or any of its agents, servants, employees, contractors, partners, proprietors, affiliates, or representatives; latent or other defects in the Franchised Restaurant Premises, whether or not discoverable by Franchisor or Developer; the inaccuracy, lack of authenticity or nondisclosure of any information by any customer of the Franchised Restaurant or visitor to or guest of the Franchised Restaurant premises; any service provided by Developer at, from, or related to the operation of the Franchised Restaurant or the Franchised Restaurant premises; any services or goods provided by any affiliated or nonaffiliated participating entity; any action by any customer of the Franchised Restaurant or visitor to the Franchised Restaurant premises; any damage to the property of Developer or Franchisor, their agents or employees, or any third person, firm, or corporation, whether or not such losses, claims, costs, expense, damages, or liabilities were actually or allegedly caused in part through the active or passive negligence of Franchisor or any of its agents or employees, or resulted from any strict liability imposed on Franchisor or any of its agents or employees.

(a) Developer shall give Franchisor notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of Developer, Franchisor may elect to assume (but under no circumstance is obligated to undertake) the defense and/or settlement of any such action, suit, proceeding, claim, inquiry, or investigation, provided that Franchisor will seek the advice and counsel of Developer, and shall keep Developer informed, with regard to any such proposed or contemplated settlement(s). Such an undertaking by Franchisor shall in no manner or form diminish Developer's obligation to indemnify Franchisor and to hold it harmless.

(b) In order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, Franchisor may, at any time and without notice as it in its judgment deems appropriate, offer order, consent, or agree to settlements or take such other remedial or corrective actions as it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry, or investigation if, in Franchisor's sole judgment, there are reasonable grounds to believe that:

(i) Any of the acts or circumstances enumerated in this Section 11.4 has occurred, or

(ii) Any act, error, or omission of Developer may result directly or indirectly in damage, injury, or ham to any person or any property.

(c) All losses and expenses incurred under this Section 11.4 shall be chargeable to and paid by Developer pursuant to its obligations of indemnity under this section, regardless of any actions, activity, or defense undertaken by Franchisor or the subsequent success or failure of such actions, activity, or defense.

(d) Indemnities do not assume any liability whatsoever for acts, errors, or omissions of those with whom Developer may contract, regardless of the purpose. Developer shall hold harmless and indemnify indemnities for all losses and expenses which may arise out of acts, errors, or omissions of these third parties.

(e) Under no circumstances shall indemnities be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Developer. Developer agrees that the failure to pursue such recovery or mitigate loss shall not reduce the amounts recoverable by Indemnities from Developer.

11.5. Franchisor shall not, by virtue of any approvals, advice, or services provided to Developer, assume responsibility or liability to Developer or any third parties to which Franchisor would not otherwise be subject.

12. APPROVALS

12.1. Whenever this Agreement requires the prior approval or consent of Franchisor, Developer shall make a timely written request to Franchisor therefor and, except as otherwise provided herein, any approval or consent granted must be in writing to be binding upon Franchisor.

12.2. Franchisor makes no warranties or guarantees upon which Developer may rely and assumes no liability or obligation to Developer or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Developer in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

13. NON-WAIVER

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Developer with any obligation or condition hereunder, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms hereof. Waiver by Franchisor of any particular default by Developer shall not be binding unless in writing and executed by the party sought to be charged and shall not affect or impair Franchisor's right with respect to any subsequent default of the same or of a different nature; nor shall any delay, waiver, forbearance or omission of Franchisor to exercise any power or rights arising out of any breach or default by Developer of any of the terms, provisions or covenants hereof, affect or impair Franchisor's rights nor shall such constitute a waiver by Franchisor of any right hereunder or of the right to declare any subsequent breach or default. Subsequent acceptance by Franchisor of any payment(s) due to it hereunder shall not be

deemed to be a waiver by Franchisor of any preceding breach by Developer of any terms, covenants or conditions of this Agreement.

14. SEVERABILITY AND CONSTRUCTION

14.1. Each section, part, term and/or provision of this Agreement shall be considered severable and if, for any reason, any section, part, term and/or provision herein is determined to be invalid and contrary to or in conflict with any existing or future law or regulation, such shall not impair the operation of or affect the remaining portions, sections, parts, terms and/or provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms and/or provisions shall be deemed not part of this Agreement; provided, however, that if Franchisor determines that said finding of illegality adversely affects the basic consideration of this Agreement, Franchisor may, at its option, terminate this Agreement.

14.2. Anything to the contrary herein notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Developer and such of their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under or by reason of this Agreement.

14.3. Developer shall be bound by any promise or covenant imposing the maximum duty permitted by law which is contained within the terms of any provision hereof, as though it were separately stated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

14.4. In the situations where states have statues, court decisions or regulations which may conflict with this Agreement including issues as to the termination and/or renewal, then, in those instances, the states' statutes, regulations and/or court decisions shall prevail.

14.5. All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof. The singular usage includes the plural, where appropriate in the context, and the masculine and neuter usages include the other and the feminine.

14.6. This Agreement may be executed in multiple copies, and each copy so executed shall be deemed an original.

14.7. The recitals set forth in this Agreement are specifically incorporated into the terms of this Agreement and hereby constitute a part thereof.

15. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding of the parties with respect to the development of the Designated Territory, and there are no other agreements expressed or implied between the parties except as specifically listed in this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the FDD. This

Agreement shall supersede all prior existing agreements between the parties concerning the subject matter of this Agreement.

16. SUPERIORITY OF FRANCHISE AGREEMENT

It is understood and agreed by Developer that any and all Franchise Agreements shall be construed and exist independently of this Agreement. The continued existence of each such Franchise Agreement shall be determined by the terms and conditions of such Franchise Agreements. Except as specifically set forth in this Agreement, the establishment and operation of each Franchised Restaurant shall be in accordance with the terms of the applicable Franchise Agreement.

17. COST OF ENFORCEMENT OR DEFENSE

If a claim for amounts owed by Developer to Franchisor is asserted in any legal proceeding before a court of competent jurisdiction, or if Franchisor or Developer is required to enforce this Agreement in a judicial proceeding, the prevailing party shall be entitled to reimbursement of its costs, including reasonable accounting and legal fees, in connection with such proceeding.

18. APPLICABLE LAW

18.1. THIS AGREEMENT TAKES EFFECT UPON ITS ACCEPTANCE AND EXECUTION BY FRANCHISOR IN THE STATE OF COLORADO AND SHALL BE INTERPRETED AND CONSTRUED UNDER THE LAWS THEREOF, WHICH LAWS SHALL PREVAIL IN THE EVENT OF ANY CONFLICT OF LAW, EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15, U.S.C. SECTIONS 1051 ET SEQ).

18.2. DEVELOPER ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN BOULDER COUNTY, STATE OF COLORADO AND THAT ANY ACTION SOUGHT TO BE BROUGHT BY EITHER PARTY, EXCEPT THOSE CLAIMS REQUIRED TO BE SUBMITTED TO ARBITRATION SHALL BE BROUGHT IN THE APPROPRIATE STATE OR FEDERAL COURT WITH JURISDICTION OVER BOULDER COUNTY, OR DENVER, STATE OF COLORADO. THE PARTIES DO HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSES OF CARRYING OUT THIS PROVISION.

18.3. NO RIGHT OR REMEDY CONFERRED UPON OR RESERVED TO FRANCHISOR OR DEVELOPER BY THIS AGREEMENT IS INTENDED TO BE, NOR SHALL BE DEEMED, EXCLUSIVE OF ANY OTHER RIGHT OR REMEDY HEREIN OR BY LAW OR EQUITY PROVIDED OR PERMITTED, BUT EACH SHALL BE CUMULATIVE OF EVERY OTHER RIGHT OR REMEDY.

18.4. NOTHING HEREIN CONTAINED SHALL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT THAT SHALL CAUSE IT LOSS OR DAMAGES, UNDER THE USUAL EQUITY RULES, INCLUDING THE APPLICABLE RULES FOR OBTAINING RESTRAINING ORDERS AND PRELIMINARY INJUNCTIONS.

19. ARBITRATION

19.1. Any monetary claim arising out of or relating to this Agreement, or any breach thereof, excluding any claim relating to the confidential information or the Marks shall be submitted to arbitration in Boulder County, or Denver, State of Colorado, in accordance with the rules of the American Arbitration Association and judgment upon the award may be entered in any court having jurisdiction thereof. Nothing contained herein shall, however, be construed to limit or to preclude Franchisor from bringing any action in any court of competent jurisdiction for injunctive or other provisional relief as Franchisor deems to be necessary or appropriate to compel Developer to comply with his obligations hereunder or to protect the Marks or other property rights of Franchisor. In addition, nothing contained herein shall be construed to limit or to preclude Franchisor from joining with any action for injunctive or provisional relief, all monetary claims that Franchisor may have against Developer which arise out of the acts or omissions to act giving rise to the action for injunctive or provisional relief. This arbitration provision shall be deemed to be self-executing and in the event that Developer fails to appear at any properly noticed arbitration proceeding, award may be entered against Developer notwithstanding his failure to appear.

19.2. Nothing herein contained shall bar the right of either party to seek and obtain temporary injunctive relief from a court of competent jurisdiction in accordance with applicable law against threatened conduct that shall cause loss or damage, pending completion of the arbitration.

19.3. It is the intent of the parties that any arbitration between Franchisor and Developer shall be of Developer's individual claim and that the claim subject to arbitration shall not be arbitrated on a class-wide basis.

19.4. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding.

20. ACKNOWLEDGMENTS

20.1. Franchisor's Rights. Whenever this Agreement provides that Franchisor have a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify the requirements of any express limitations set forth in this Agreement.

20.2. Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees to exercise Franchisor's rights reasonably or in good faith, Franchisor will satisfy Franchisor's obligations whenever Franchisor exercise reasonable business judgment ("**Reasonable Business Judgment**") in making Franchisor's decision or exercising Franchisor's rights. Franchisor's decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended, in whole or significant

part, to promote or benefit the System generally even if the decision or action also promotes Franchisor's financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

20.3. No Third Party Beneficiary. Developer acknowledges that it is not, nor is it intended to be, a third party beneficiary of this Agreement or any other agreement to which Franchisor is a party.

20.4. Advice from Professionals; Developer's Responsibilities involving Employees. Developer acknowledges Developer has been given the opportunity and been encouraged to obtain independent advice from legal and other professionals before entering into this Agreement. Developer further acknowledges the obligation to train, manage, pay, recruit, and supervise employees of the Franchised Restaurants rests solely with Developer.

20.5. Acknowledgements in Certain States. The following acknowledgements apply to all franchisees, developers, and Franchised Restaurants, except those that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

(a) No Reliance on Other Representations. No statement, representation or other act, event, or communication, except as set forth in this Agreement and in the Franchise Disclosure Document ("**FDD**") provided to Developer by Franchisor, is binding on Franchisor in connection with the subject matter of this Agreement. Developer acknowledges and agrees Developer has not been induced to enter into this Agreement in reliance upon, nor as a result of, any statements, representations, warranties, conditions, covenants, promises, or inducements, whatsoever, whether oral or written, and whether directly related to the contents hereof or collateral thereto, made by Franchisor, its officers, directors, agents, employees, or contractors except as provided herein.

(b) Opportunity to Review Agreement. Developer acknowledges Developer has received, has had ample time to read, and has read this Agreement, and all related agreements with Franchisor. Developer acknowledges Franchisor has advised Developer to obtain independent legal and accounting advice with respect to this Agreement and the transactions arising out of this Agreement. Developer further acknowledges Developer has had an adequate opportunity to be advised by legal, accounting, and other professional advisors of its own choosing regarding all pertinent aspects of the Franchised Restaurants, Franchisor, and this Agreement.

(c) Independent Investigation. Developer has conducted an independent investigation of the System and recognizes the Franchised Restaurant ventures contemplated by this Agreement and their success involve substantial business risk and will be largely dependent upon the ability of Developer as an independent business person and its active participation in the daily affairs of the Franchised Restaurant. Developer hereby assumes the responsibility for its success or failure of the Franchised Restaurants.

(d) No Financial Performance Representations. Except as otherwise set forth in the FDD, Franchisor has not provided any statement, representation, or other act, event, or communication of actual, average, projected, forecasted or potential purchases, sale, cost, earnings, income, or profits to Developer.

(e) Disclaimer of Warranties. Franchisor expressly disclaims the making of, and Developer acknowledges that it has not received, any assurance, warranty, or guarantee, expressed or implied, as to the potential volume, profits, earnings, or success of the Franchised Restaurants contemplated by this Agreement.

20.6. No Waiver or Disclaimer of Reliance in Certain States. The following provision applies only to franchisees, developers, and Franchised Restaurants that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

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 parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Agreement in multiple copies this ____ day of _____, 20____.

eMAX'S, LLC	
(Franchisor)	(Developer)
By:_____	By: _____
Name: William E. Rodgers	Name: _____
Title: Managing Director	Title: _____
Signature _____	Signature _____

GUARANTY AND ASSUMPTION OF OBLIGATIONS
TO THE AREA DEVELOPMENT AGREEMENT

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ____ day of _____, 20___ by _____.

In consideration of, and as an inducement to, the execution of that certain Area Development Agreement of given date herewith (the "**Agreement**") by EMAX'S, LLC ("**Franchisor**"), each of the undersigned hereby personally and unconditionally (1) guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ ("**Developer**") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (2) shall be personally bound by, and personally liable for the breach of each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities including, without limitation, the provisions of Section 15. Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (4) any right he may have to require that an action be brought against Developer or any other person as a condition of liability; and (5) any and all other notices and legal or equitable defenses to which he may be entitled.

Each of the undersigned consents and agrees that: (1) his direct and immediate liability under this guaranty shall be joint and several; (2) he shall render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Developer or any other person; and (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Developer or to any other person including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	PERCENTAGE OF OWNERSHIP IN DEVELOPER
_____	_____%
_____	_____%
_____	_____%
_____	_____%

AREA DEVELOPMENT AGREEMENT

ATTACHMENT A

DESCRIPTION OF DESIGNATED TERRITORY AND AREA DEVELOPMENT FEE

ATTACHMENT A

DESCRIPTION OF DESIGNATED TERRITORY, FORMATS AND AREA DEVELOPMENT FEE

1. DESCRIPTION OF DESIGNATED TERRITORY

2. FORMATS

Number of Franchised Restaurants to be developed (as set forth in **Attachment B**):_____

Number of flagship format Franchised Restaurants: _____

Number of fast casual format Franchised Restaurants: _____

3. AREA DEVELOPMENT FEE

Total Area Development Fee: **$**_____

eMAX'S, LLC
(Franchisor)

By:_____

Name: William E. Rodgers

Title: Managing Director

Signature _____

(Developer)

By: _____

Name: _____

Title: _____

Signature _____

AREA DEVELOPMENT AGREEMENT

ATTACHMENT B

DEVELOPMENT SCHEDULE

ATTACHMENT B

DEVELOPMENT SCHEDULE

Developer acknowledges and agrees that a material provision of the Area Development Agreement is that the following number of Franchised Restaurants must be opened and continuously operating in the Designated Territory. Developer's first Franchised Restaurant must be opened and continuously operating in the Designated Territory in accordance with the Franchise Agreement signed contemporaneously with this Area Development Agreement. All other Franchised Restaurants of Developer must be opened and continuously operating in the Designated Territory in accordance with the following Development Schedule.

Option Period Number	Franchise Agreement to be Executed by	Required Opening Date	Cumulative Total Number of Franchised Restaurants Located in Designated Territory That Developer Shall Have Open and in Operation

For purposes of determining compliance with the above Development Schedule, only the Franchised Restaurants actually open and continuously operating for business in the Designated Territory as of a given date will be counted toward the number of Franchised Restaurants required to be open and continuously operating for business.

eMAX'S, LLC
(Franchisor)

By:_____

Name: William E. Rodgers

Title: Managing Director

Signature _____

(Developer)

By: _____

Name: _____

Title: _____

Signature _____

EXHIBIT E:

FINANCIAL STATEMENTS

eMAX'S LLC

AUDITED FINANCIAL STATEMENTS
with
INDEPENDENT AUDITORS' REPORT
December 31, 2025 and 2024

Schmidt + Associates, P.C.
6160 South Syracuse Way, Suite 200
Greenwood Village, Colorado 80111
(303) 741-5600
Fax: (303) 741-3320

eMAX's LLC

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SCHMIDT
+ASSOCIATES P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management
eMax's LLC
Boulder, Colorado

Opinion

We have audited the accompanying balance sheet of eMax's LLC ("the Company"), a corporation, as of December 31, 2025 and the related statements of income (loss) and retained earnings, operating expenses and cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information. The financial statements for the year ended December 31, 2024 were audited by another auditor. The predecessor auditor's report was issued on April 4, 2025 and was an unqualified opinion. However, the financial statements for the year ended December 31, 2024 have been restated for the correction of an error, as explained in Note 11.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 the 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 Company's ability to continue as a going concern for a year from the date of this report.

Auditors' Responsibility

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 auditors' 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 GAAS 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

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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 GAAS, 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 amount 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 Company'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 Company'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.

Schmidt + Associates, P.C.

SCHMIDT + ASSOCIATES, P.C.

Greenwood Village, Colorado
March 27, 2026

eMAX's LLC
BALANCE SHEETS
December 31, 2025 and 2024

ASSETS

	2025	2024 Restated
CURRENT ASSETS		
Cash and cash equivalents	$ 258,853	$ 285,376
Advertising fund	48,847	51,733
Investments	809,239	785,980
Royalties receivable	491,611	566,373
Allowance for bad debts	(102,195)	(111,196)
Proprietary receivables	69,525	74,881
Franchise fee receivable	25,000	50,000
Prepaid proprietary inventory	52,054	47,521
Prepaid expenses	16,893	7,127
Total Current Assets	1,669,829	1,757,795
PROPERTY AND EQUIPMENT		
Equipment and funiture	34,351	34,351
Accumulated depreciation	(29,554)	(28,280)
Total Property and Equipment	4,797	6,071
OTHER ASSETS		
Security deposit	2,466	2,466
Total Other Assets	2,466	2,466
TOTAL ASSETS	$ 1,677,092	$ 1,766,332

LIABILITIES AND STOCKHOLDER'S EQUITY

	2025	2024 Restated
CURRENT LIABILITIES		
Accounts payable	$ 123,274	$ 107,509
Accounts payable - related party	505,766	478,378
Accrued expenses	2,682	2,799
Accrued income tax	7,621	0
Deferred advertising funds	76,713	66,193
Deferred tax liability	36,900	40,000
Total Current Liabilities	752,955	694,879
LONG-TERM LIABILITES		
Deferred franchise fees	57,500	100,000
Deferred area development fees	120,000	230,000
Total Long-Term Liabilities	177,500	330,000
TOTAL LIABILITIES	930,455	1,024,879
STOCKHOLDER'S EQUITY		
Capital	513,000	513,000
Retained Earnings	233,637	228,453
Total Stockholder's Equity	746,637	741,453
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$ 1,677,092	$ 1,766,332

See accompanying independent auditors' report.

eMAX's LLC
STATEMENTS OF INCOME (LOSS) AND RETAINED EARNINGS
For the Years Ended December 31, 2025 and 2024

	2025		2024 Restated	
FRANCHISE INCOME				
Franchise fees	$ 182,000	10.1%	$ 50,000	2.9%
Royalties	1,601,126	89.3%	1,664,406	95.2%
Foreign currency changes	(14,205)	(0.8%)	(8,475)	(0.5%)
Rebates	1,554	0.1%	2,025	0.1%
Interest income	23,259	1.3%	41,036	2.3%
Total Revenue	1,793,734	100.0%	1,748,992	100.0%
FRANCHISE OPERATING EXPENSES				
Franchise operating expenses	1,829,896	102.0%	1,791,273	102.4%
NET INCOME (LOSS) FROM FRANCHISE OPERATIONS	(36,162)	(2.0%)	(42,281)	(2.4%)
PROPRIETARY SALES INCOME				
Sales of proprietary items	253,896	14.2%	185,252	10.6%
Cost of goods sold	(208,029)	(11.6%)	(155,956)	(8.9%)
Net income from proprietary sales	45,867	2.6%	29,296	1.7%
NET INCOME (LOSS) FROM OPERATIONS	9,705	0.5%	(12,985)	(0.7%)
PRIOR PERIOD ADJUSTMENT				
Note receivable - related party forgiven	0	0.0%	(437,611)	(24.4%)
INCOME (LOSS) BEFORE INCOME TAXES	9,705	0.5%	(450,596)	(25.8%)
INCOME TAX PROVISION (BENEFIT)	(4,521)	(0.3%)	44,815	2.6%
NET INCOME (LOSS)	5,184	0.3%	(495,411)	(28.3%)
BEGINNING RETAINED EARNINGS	228,453	13.1%	723,864	41.4%
ENDING RETAINED EARNINGS	$ 233,637	13.4%	$ 228,453	13.1%

See accompanying independent auditors' report.

eMAX's LLC
STATEMENTS OF OPERATING EXPENSES
For the Years Ended December 31, 2025 and 2024

	2025		2024 Restated	
FRANCHISE OPERATING EXPENSES				
Amortization and depreciation expense	$ 1,274	0.1%	$ 47,680	2.7%
Bad debt	111,838	6.2%	85,238	4.9%
Bank charges	2,894	0.2%	1,747	0.1%
Directors' fees	252,000	14.0%	238,000	13.6%
Dues and subscriptions	19,147	1.1%	26,631	1.5%
Employee benefits	167,714	9.3%	151,252	8.6%
Excise tax	31,669	1.8%	81,799	4.7%
Insurance	1,368	0.1%	1,130	0.1%
Meetings	51,592	2.9%	21,336	1.2%
Miscellaneous	9,368	0.5%	(7,607)	(0.4%)
Office supplies	1,577	0.1%	1,495	0.1%
Payroll expenses	584,619	32.6%	575,971	32.9%
Penalties	0	0.0%	5,032	0.3%
Professional fees	86,455	4.8%	48,837	2.8%
Rent	33,259	1.9%	28,872	1.7%
Research	12,834	0.7%	23,179	1.3%
Service and management fees	328,829	18.3%	313,118	17.9%
Sales and marketing	500	0.0%	0	0.0%
Telephone	6,951	0.4%	6,100	0.3%
Travel	126,008	7.0%	141,463	8.1%
TOTAL FRANCHISE OPERATING EXPENSES	$ 1,829,896	100.0%	$ 1,791,273	100.0%

See accompanying independent auditors' report.

eMAX's LLC
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024

	2025	2024 Restated
OPERATING ACTIVITIES		
Net Income (Loss)	$ 5,184	$ (495,411)
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	1,274	47,680
(Increase)/decrease in royalties receivable (net of bad debt)	65,761	(57,877)
(Increase)/decrease in proprietary receivables	5,356	(44,471)
(Increase)/decrease in franchise fee receivable	25,000	25,000
(Increase)/decrease in proprietary inventory	(4,533)	(7,856)
(Increase)/decrease in prepaid expenses	(9,769)	(4,806)
(Decrease)/increase in accounts payable	15,765	438,646
(Decrease)/increase in accounts payable-related party	27,388	0
(Decrease)/increase in accrued expenses	7,504	(7)
(Decrease)/increase in deferred advertising fund	10,520	4,897
(Decrease)/increase in deferred franchise fees	(42,500)	0
(Decrease)/increase in deferred development fees	(110,000)	(50,000)
(Decrease)/increase in deferred taxes	(3,100)	42,400
Total Adjustments	(11,334)	393,606
Net cash (used) by operating activities	(6,150)	(101,805)
INVESTING ACTIVITIES		
Increase in advertising funds	2,886	41,228
Purchase of investments	(23,259)	(185,980)
Net cash (used) by investing activities	(20,373)	(144,752)
FINANCING ACTIVITIES		
Decrease in notes receivable - related party	0	367,551
Decrease in accrued interest income	0	5,056
Net cash provided by financing activities	0	372,607
INCREASE / (DECREASE) IN CASH	(26,523)	126,050
CASH - Beginning of year	285,376	159,326
CASH - End of year	$ 258,853	$ 285,376
NON-CASH INVESTING AND FINANCING TRANSACTIONS:		
Interest Paid	$ 0	$ 0
Income Tax Paid	$ 0	$ 2,415

See accompanying independent auditors' report.

eMAX's LLC
NOTES TO AUDITED FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

eMax's LLC ("the Company") grants franchises for the establishment, development, and operation of Franchised Restaurants under the name MAX's Restaurant – Cuisine of the Philippines. The Company currently has franchises in the United States and Canada.

In 2010, the Company began sales of proprietary food products to its franchisees.

Effective January 1, 2015, the partners of eMax's LLC sold their individual interests to Max's Group, Inc., a Philippine public corporation. eMax's LLC became a wholly owned subsidiary of Max's Group Inc.at that time. eMax's LLC continued operating as an LLC but was taxed as a C-corporation in the United States.

Effective January 1, 2018, Max's Group Inc. created a holding company, M Foods Concepts, Inc., and transferred all its shares in eMax's LLC to M Foods Concepts, Inc. and eMax's LLC became a wholly owned subsidiary of M Foods Concepts, Inc. M Foods Concepts, Inc. files a consolidated tax return with its wholly owned subsidiary, eMax's LLC.

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The cash basis of accounting is used for income tax purposes.

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use and those with an initial maturity of three months or less to be cash equivalents.

Royalties Receivable

The Company provides an allowance for doubtful accounts for royalties receivable, which are determined to be uncollectible based on periodic review by management. Factors used to determine whether an allowance should be recorded include the age of the receivable, history of past write-offs and collections. Interest is not recorded or accrued on outstanding receivables. As of December 31, 2025 and 2024, the allowance for doubtful accounts was $102,195 and $111,196, respectively. Royalties receivable over ninety days old as of December 31, 2025 and 2024 were $370,620 and $358,785, respectively.

Prepaid Inventory

Prepaid inventory represents deposits the Company pays for proprietary inventory items that are ordered for the franchisees but not yet shipped directly to the outlets. When the item is shipped and invoiced to the franchisee, the prepaid inventory amount is reclassified to cost of goods sold. eMax's LLC does not take physical possession of the inventory items.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment is stated at cost. The cost of equipment is depreciated over the estimated useful lives using the straight-line method for financial reporting purposes and the Modified Accelerated Cost Recovery System for income tax purposes. Additions and betterments are capitalized, whereas costs for repairs and maintenance are charged to expense as incurred. Depreciation expense for the years ended December 31, 2025 and 2024 was $1,274 and $1,616, respectively.

Goodwill

Goodwill resulting from the business combination with Max's Group, Inc. in 2015, is determined as the excess of the fair value of the consideration transferred over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Pursuant to FASB ASU 2015-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, the Organization has elected to amortize the goodwill of $460,658 over 10 years. Amortization expense for the year ended December 31, 2024 was $46,064. The Goodwill was fully amortized in 2024.

The Goodwill is not recognized for tax purposes because the partners sold their LLC interests directly to Max's Group, Inc. This fair value is considered "outside" tax basis. No tax amortization is reported, thus creating a permanent book/tax difference.

Franchise Costs

The Company defers franchise costs until initial franchise fee has been received.

Advertising

The Company decreases Deferred Advertising Funds when advertising costs are incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States 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 period. Actual results inevitably will differ from those estimates, and such differences may be material to the financial statements.

Reclassification

Certain reclassifications have been made to the 2024 financial statements presentation to correspond to the current year's format. In addition, a prior period adjustment has been made in the 2024 financial statements, see Note 11 – Prior Period Adjustment.

NOTE 2 - CONCENTRATION OF CREDIT RISK

The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and trade accounts receivable. The Company places its cash with high credit quality institutions. At times such investments may be in excess of the FDIC insurance limit. Should a depository bank fail when the Company's bank balances exceed the limits, the Company may suffer a loss of the amounts in excess of the limits. The Company routinely assesses the financial strength of its depository institutions and customers. Due to perceived credit quality of customers the Company believes that its trade accounts receivable credit risk exposure is limited.

NOTE 3 - INVESTMENTS

The market value of eMax's investments as of December 31, consisted of the following:

	2025	2024
Cash and money market funds	$ 9,232	$ 631,980
Certificates of deposit, 6 month maturity	800,007	154,000
Total Investments	$ 809,239	$ 785,980

NOTE 4 - FRANCHISE AGREEMENT COMMITMENTS

In exchange for granting franchises for the establishment, development and operation of Franchised Restaurants, the Company agrees to provide pre-opening and training assistance and the use of its trademarks and proprietary products. The initial franchise fee is due in two installments. 50% upon signing of the agreement and 50% upon the opening of each Franchised Restaurant. Pursuant to FASB ASU 2021-02, *Franchisors - Revenue from Contracts with Customers*, the Company has elected to recognize pre-opening services as a single performance obligation, therefore the initial franchise fee is recognized when the franchise opens. Invoiced and collected franchise fees for franchises not yet open are recorded as Deferred Franchise Fees in the liabilities section of the balance sheet. The Company recognizes renewal fees in income when a renewal agreement becomes effective.

As part of its franchising contracts, the Company receives a portion of its franchisee's monthly net sales. The standard royalty rate is 5% of net sales. The royalty rate for affiliated outlets is 1% of net sales. Affiliated outlets are defined as outlets owned by the owners, or relatives of the owners, of Max's Group Inc. Royalties are invoiced and recognized monthly. Royalties earned for 2025 and 2024 were $1,601,126 and $1,664,406, respectively.

At December 31, 2025, the Company had eighteen franchised outlets and three affiliate-owned outlets in its system.

NOTE 5 - ADVERTISING FUND

The Company operates an Advertising Fund for the Max's of Manila US based franchisees and affiliate owned outlets. Each outlet contributes 0.5% of monthly net sales for the purpose of marketing and advertising on a national level. Section 9 of the Franchise Agreement details the administration and use of the fund. 100% of the contributions to the fund are to be used for advertising. The Company maintains a separate bank account for these funds, Advertising Fund in the asset section of the Balance Sheet. Surplus amounts are recorded in the Deferred Advertising Funds account, in the liability section of the Balance Sheet, and are carried forward for expenditures in future years.

NOTE 6 - AREA DEVELOPMENT FEES

The Company enters into contracts with Area Developers. The contracts grant the Developers options to obtain franchises within a designated territory. Each Franchise is granted and operated pursuant to a separate Franchise Agreement. Area development fees are based on the size of the territory and the number of possible franchises and are unique to each Area Development contract. Area Development fees are recognized as revenue when the corresponding franchises agreements are obtained.

Invoiced and collected area development fees that have not been earned are recorded as deferred area development fees on balance sheet.

NOTE 7 - FAIR VALUE MEASUREMENT

The Company's financial instruments consist primarily of cash and cash equivalents, advertising funds, investments, accounts receivable and accounts payable and are carried at their fair value due to the short-term nature of such instruments.

NOTE 8 - RELATED PARTY TRANSACTIONS

The Company maintains a Service Agreement with Global Max Services Pte. Ltd. – ROHQ (ROHQ), which provides operational, administrative, technical, and business support services to the Company. Service and management fee expense totaled $328,829 and $313,118 for the years ended December 31, 2025 and 2024, respectively.

NOTE 8 - RELATED PARTY TRANSACTIONS (Continued)

The Company also engages in other transactions with related parties under common ownership. Global Max Services Pte. Ltd. – ROHQ bills the Company for their Service Agreement as well as other support services. Alpha Max Group Limited has paid certain obligations of the Company to Global Max Services Pte. Ltd. – ROHQ on the Company's behalf. Max's Kitchen, Inc. bills the Company for corporate email services used by employees and franchisees. No Bia, Inc., the commissary and manufacturing arm of Max's Group, supplies certain products to affiliates within the Max's Group network. As of December 31, 2025 and 2024, the Company owed the related parties the following amounts:

	2025	2024
Global Max Services Prd. Ltd - ROHQ	$ 53,126	$ 403,730
Alpha Max Group Limited	450,435	68,691
Max's Kitchen, Inc.	0	3,738
No Bia, Inc,	2,205	2,219
Total Accounts Payable - Related Party	$ 505,766	$ 478,378

Amounts due to and from related parties are unsecured, non-interest bearing, and payable on demand unless otherwise agreed. Although management believes the terms of these transactions are reasonable, they may differ from those that would have been negotiated with independent third parties.

NOTE 9 - RETIREMENT PLAN

The Company has a SIMPLE IRA plan for employees. Employees can contribute the maximum allowed by the IRS and the Company will match up to 3% of the employees' salary. Retirement expense in 2025 and 2024 was $13,421 and $12,389, respectively.

NOTE 10 - INCOME TAXES

The income tax expense of the Company consists of the following:

	2025	2024
Current tax expense:		
Federal	$ 5,567	$ 0
State	2,054	0
Total current tax expense	7,621	0
Deferred tax expense (benefit):		
Federal	(2,250)	31,400
State	(850)	11,000
Total deferred tax (benefit)	(3,100)	42,400
Income Tax Provision	$ 4,521	$ 42,400

Deferred tax assets (liabilities) represent the tax effects of deductible temporary differences in book and tax reporting. The deductible differences relate to the benefit derived from the difference between book and tax accumulated depreciation, cash basis accounting for tax purposes and accrual basis accounting for audit purposes, and foreign tax credits. Foreign tax credits available for carryover were $9,424 as of December 31, 2025 and 2024.

The Company is included in the consolidated United States federal income return and other state returns, as required, of M Foods Concepts, Inc. and its subsidiary. The Company is no longer subject to U.S. federal or state income tax examinations by tax authorities for years before 2022. As of December 31, 2025 and 2024, the Company had net operating loss carryovers of $49,439 and $155,473, respectively.

NOTE 11 – PRIOR PERIOD ADJUSTMENT

As of December 31, 2024, the Company had an intercompany receivable of $397,013 and related accrued interest of $40,598 from its parent company, M Foods Concepts, Inc. After considerable review by management, it has been determined that this intercompany receivable is uncollectible. The only asset of M Foods Concepts, Inc. is its ownership in the Company and M Foods Concepts, Inc does not have the ability to pay the intercompany receivable or the related accrued interest. This fact existed prior to 2025 and therefore a prior period adjustment has been made to correct this error. The financial statements for the year ended December 31, 2024 have been restated as follows:

January 1, 2024:	Originally Reported	Restated
Note receivable – related party	$ 397,013	$ 0
Accrued interest receivable	$ 40,598	$ 0
Retained Earnings	$ 666,064	$ 228,453

NOTE 12 - SUBSEQUENT EVENTS

The Company has evaluated subsequent events through March 27, 2026, the date which the financial statements were available to be issued. Management has determined there are no subsequent events that require disclosure in the financial statements for the year ended December 31, 2025.

eMAX'S LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

eMAX'S LLC

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December 31, 2024 and 2023

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MIDDLEMIST CROUCH
& COMPANY, CPA's PC

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:

eMax's LLC
Boulder, CO

Opinion

We have audited the accompanying financial statements of eMax's LLC (a corporation) which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income, retained earnings and cash flows for years then ended, 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 eMax's LLC as of December 31, 2024, and the results of its operations and its cash flows for the years then ended 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 eMax's 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 these 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 any conditions or events, considered in the aggregate, that raise substantial doubt about eMax's LLC's ability to continue as a going concern within on year after the date that the financial statements are available to be issued.

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 judgement 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 eMax's 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 eMax's 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.

MIDDLEMIST, CROUCH & CO., CPA's, P.C.

Middlemist Crouch & Company, CPA's P.C.

Boulder, Colorado
April 4, 2025

FINANCIAL STATEMENTS

eMAX'S LLC
Balance Sheets
December 31, 2024 and 2023

	2024	2023
Assets		
Current assets		
Cash and cash equivalents	$ 285,376	$ 159,326
Advertising fund	51,733	92,961
Investment	785,980	600,000
Prepaid Proprietary inventory	47,521	39,665
Royalties receivable (net of allowance of $111,196 and $26,393)	455,177	397,300
Franchise fee receivable	50,000	75,000
Proprietary receivables	74,881	30,410
Prepaid expenses	7,127	2,321
Total current assets	1,757,795	1,396,983
Property and equipment		
Equipment and funiture	34,351	34,351
Accumulated depreciation	(28,280)	(26,664)
Total property and equipment	6,071	7,687
Other assets		
Security deposit	2,466	2,466
Deferred tax asset	-	2,400
Note Receivable - related party	397,013	337,065
Accrued interest receivable	40,597	35,541
Goodwill	460,658	460,658
Accumulated amortization	(460,658)	(414,594)
Total other assets	440,076	423,536
Total assets	$ 2,203,942	$ 1,828,206
Liabilities & Stockholders' Equity		
Current liabilities		
Accounts payable	$ 585,886	$ 147,240
Payroll liabilities	956	956
Excise tax payable	1,843	1,850
Deferred advertising funds	66,193	61,296
Deferred tax liability	40,000	-
Total current liabilities	694,878	211,342
Long-term liabilities		
Deferred franchise fees	100,000	150,000
Deferred development fees	230,000	230,000
Total long-term liabilities	330,000	380,000
Stockholder's Equity		
Capital	513,000	513,000
Retained Earnings	666,064	723,864
Total stockholders' equity	1,179,064	1,236,864
Total liabilities & stockholder's equity	$ 2,203,942	$ 1,828,206

See accompanying notes to financial statements

eMAX'S LLC
Statements of Income
For the years ended December 31, 2024 and 2023

	2024	2023
Franchise income		
Franchise fees	$ 50,000	$ 50,000
Royalties	1,664,406	1,589,067
Foreign currency changes	(8,475)	(5,737)
Rebates	2,025	805
Interest income	41,036	26,064
Total franchise income	1,748,992	1,660,199
Franchise operating expenses	1,791,273	1,610,772
Net income from franchise operations	(42,281)	49,427
Proprietary sales income		
Sales of proprietary items	185,252	176,441
Cost of goods sold	(155,956)	(127,421)
Net income from proprietary sales	29,296	49,020
Income before income taxes	(12,985)	98,447
Income tax provision (benefit)	44,815	(13,400)
Net Income	(57,800)	111,847
Beginning retained earnings	723,864	612,017
Ending retained earnings	$ 666,064	$ 723,864

See accompanying notes to financial statements

eMAX'S LLC
Statements of Operating Expenses
For the years ended December 31, 2024 and 2023

	2024	2023
Franchise operating expenses		
Amortization and depreciation expense	$ 47,680	$ 47,674
Bad debt	85,238	-
Bank charges	1,747	2,870
Directors' fees	238,000	64,335
Dues and subscriptions	26,631	23,833
Employee benefits	151,252	132,104
Excise tax	81,799	20,907
Canadian tax	-	9,424
Interest expense	-	4,030
Insurance	1,130	730
Meetings	21,336	1,473
Miscellaneous	(7,607)	12,623
Office supplies	1,495	4,362
Payroll expenses	575,971	572,248
Penalties	5,032	5,292
Professional fees	48,837	104,441
Rent	28,872	28,453
Research	23,179	27,740
Service and management fees	313,118	422,319
Sales and marketing	-	1,216
Telephone	6,100	6,774
Training	-	3,999
Travel	141,463	113,802
Uniforms	-	123
Total franchise operating expenses	$ 1,791,273	$ 1,610,772

See accompanying notes to financial statements

eMAX'S LLC
Statements of Cash Flows
For the years ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Net income	$ (57,800)	$ 111,847
Adjustments necessary to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	47,680	47,674
(Increase)Decrease in advertising fund	4,897	(63,134)
(Increase)Decrease in proprietary inventory	(7,856)	(16,054)
(Increase)Decrease in royalties receivable	(57,877)	(200,662)
(Increase)Decrease in franchise fee receivable	25,000	(25,000)
(Increase)Decrease in proprietary receivables	(44,471)	5,914
(Increase)Decrease in prepaid expenses	(4,806)	6,155
(Increase)Decrease in accrued interest receivable	(5,056)	(15,495)
Increase(Decrease) in accounts payable	438,646	(43,432)
Increase(Decrease) in deferred revenue	(50,000)	50,000
Increase(Decrease) in deferred taxes	42,400	(13,400)
Increase(Decrease) in excise tax payable	(7)	(7)
Increase(Decrease) in income taxes payable	-	(28,091)
Total adjustments	388,550	(295,532)
Net cash provided by operating activities	330,750	(183,685)
Cash flows from investing activities:		
Advertising funds	41,228	(48,842)
Investment in fixed assets	-	(991)
Purchase of investments	(185,980)	(600,000)
Net cash used by investing activities	(144,752)	(649,833)
Cash flows from financing activities:		
Increase(Decrease) in notes receivable - related party	(59,948)	358,849
Net cash used by financing activities	(59,948)	358,849
Net change in cash and cash equivalents	126,050	(474,669)
Cash and cash equivalents at beginning of year	159,326	633,995
Cash and cash equivalents at end of year	$ 285,376	$ 159,326
Interest Paid	$ -	$ 4,030
Income Tax Paid	$ 2,415	$ -

See accompanying notes to financial statements

NOTE 1- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Company grants franchises for the establishment, development, and operation of Franchised Restaurants under the name MAX's Restaurant – Cuisine of the Philippines. The Company currently has franchises in the U.S. and Canada.

In 2010, the Company began sales of proprietary food products to its franchisees.

Effective January 1, 2015, the partners of eMax's LLC sold their individual interests to Max's Group, Inc., a Philippine corporation. eMax's LLC continues operating as an LLC but will be taxed as a C-corporation. eMax's LLC becomes a wholly owned subsidiary of Max's Group Inc.

Effective January 1, 2018, Max's Group Inc. transferred all its shares in eMax's LLC to M Foods Concepts, Inc. and eMax's LLC became a wholly owned subsidiary of M Foods Concepts, Inc. M Foods Concepts, Inc. will file a combined tax return for its wholly owned subsidiary

Financial Statement Presentation

The financial statements are prepared in accordance with the recommendations of the American Institute of Certified Public Accountants in its industry audit guide, Audits of Small Businesses. Accordingly, the financial statements are prepared on an accrual basis of accounting.

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use and those with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

The Company provides an allowance for doubtful accounts for accounts receivable, which are determined to be uncollectible based on periodic review by management. Factors used to determine whether an allowance should be recorded include the age of the receivable, history of past write-offs and collections. Interest is not recorded or accrued on outstanding receivables. As of December 31, 2024 and 2023, the allowance for doubtful accounts was $111,196 and $26,393, respectively

Prepaid Inventory

Prepaid inventory represents deposits paid for inventory items that are ordered but not shipped directly to the affiliated stores. When the item is shipped and invoiced the prepaid inventory amount is reclassified to cost of goods sold. eMax's LLC does not take physical possession of the inventory items.

Property and Equipment

Property and equipment is stated at cost. The cost of equipment is depreciated over the estimated useful lives using the straight-line method for financial reporting purposes and the Modified Accelerated Cost Recovery System for income tax purposes. Additions and betterments are capitalized, whereas costs for repairs and maintenance are charged to expense as incurred.

Goodwill

Goodwill resulting from the business combination with Max's Group, Inc., is determined as the excess of the fair value of the consideration transferred over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Pursuant to FASB ASU 2015-02*, Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, the Organization has elected to amortize the goodwill of $460,658 over 10 years.

The Goodwill is not recognized for tax purposes because the partners sold their LLC interests directly to Max's Group, Inc. This fair value is considered "outside" tax basis. No tax amortization is reported, thus creating a permanent book/tax difference.

NOTE 1- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Franchise Costs
The Company defers franchise costs until initial franchise fee has been received.

Advertising
The Company expenses advertising costs as incurred.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassification
Certain prior year amounts have been reclassified to conform to the current year presentation. In accordance with ASC 606, franchise fees are presented as current or long-term depending on when they will be recognized.

NOTE 2- ADOPTION OF NEW ACCOUNTING STANDARD

On January 1, 2023, the Company elected ASU 2021-02 and made an accounting policy election to recognize pre-opening services as a single performance obligation. The Company also elected the practical expedient using the full-retrospective method, restating all prior periods presented. The effect of these elections is an increase in retained earnings of $370,291 and a decrease in deferred franchise and development fees of $370,291, as of January 1, 2023.

NOTE 3- FRANCHISE AGREEMENT COMMITMENTS

In exchange for granting franchises for the establishment, development and operation of Franchised Restaurants, the Company agrees to provide pre-opening and training assistance and the use of its trademarks and proprietary products. The initial franchise fee is due in two installments. 50% upon signing of agreement and 50% upon the opening of each Franchised Restaurant. Pursuant to FASB ASU 2021-02, the Company recognizes the initial franchise fee when the franchise opens.

Invoiced and collected franchise fees for franchises not yet open are recorded as current or long-term deferred franchise fees on the balance sheet.

NOTE 4- ROYALTIES

As part of its franchising contracts, the Company receives a portion of its franchisee's monthly net sales. The standard royalty rate is 5% of net sales. However, in some cases, franchisees have negotiated different rates. Royalties are invoiced and recognized monthly. Royalties received for 2024 and 2023 were $1,664,406 and $1,589,067, respectively.

NOTE 5- ADVERTISING FUND

The Company operates an Advertising Fund for the Max's of Manila US based franchisees and company owned stores. Each store contributes 0.5% of net monthly sales for the purpose of marketing and advertising on a national level. Section 9 of the Franchise Agreement details the administration and use of the fund. 100% of the contributions to the fund are to be used for advertising. Surplus amounts are recorded as deferred and are carried forward for expenditures in future years.

NOTE 6- AREA DEVELOPMENT FEES

The Company enters into contracts with Area Developers. The contracts grant the Developers options to obtain franchises within a designated territory. Each Franchise is granted and operated pursuant to a separate Franchise Agreement. Area development fees are based on the size of the territory and the number of possible franchises and are unique to each Area Development contract. Area Development fees are recognized as revenue when the corresponding franchises agreements are obtained.

Invoiced and collected area development fees that have not been earned are recorded as deferred area development fees on balance sheet.

NOTE 7- FAIR VALUE MEASUREMENT

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable and accounts payable and are carried at their fair value due to the short-term nature of such instruments.

NOTE 8- INVESTMENT

The market value of eMax's investments as of December 31, consisted of the following:

	2024	2023
Cash and money market funds	$ 631,920	$ 10,000
Certificates of deposit, 6 mo maturity	154,000	590,000
	$ 785,980	$ 600,000

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NOTE 9- INTERCOMPANY – RELATED PARTY

The Company has an intercompany receivable in the amount of $397,013 as of December 31, 2024 from its parent company, M Foods Concepts, Inc.

NOTE 10- SERVICE AND MANAGEMENT FEES

The Company has a Service Agreement with Global Max Services Pte Ltd – ROHQ (ROHQ). The ROHQ is organized, staffed and equipped to be a regional operating headquarters and to render to its affiliates certain services including operations, management, general administration and planning, business planning, corporate advisory services, logistics, technical support and maintenance, business development, etc. Expense for 2024 and 2023 was $313,118 and $422,318, respectively.

NOTE 11- RETIREMENT PLAN

The Company has a SIMPLE IRA plan for employees. Employees can contribute the maximum allowed by the IRS and eMax will match up to 3% of the employees' salary. Retirement expense in 2024 and 2023 was $12,389 and $12,389, respectively.

NOTE 12- INCOME TAXES

The income tax expense of the Company consists of the following:

	2024	2023
Current tax expense:		
Federal	$ -	$ -
State	-	-
Total current tax expense	-	-
Deferred tax expense (benefit):		
Federal	31,400	(13,400)
States	11,000	-
Total deferred tax (benefit)	42,400	-
Income Tax Provision	$ 42,400	$ (13,400)

Deferred tax assets (liabilities) represent the tax effects of deductible temporary differences in book and tax reporting. The deductible differences relate to the benefit derived from the difference between book and tax accumulated depreciation and cash basis accounting for tax purposes and accrual basis accounting for audit purposes and foreign tax credits. Foreign tax credits available for carryover were $9,424 as of December 31, 2024.

The Company is included in the consolidated United States federal income return and other state returns, as required, of M Foods Concepts, Inc. and its subsidiaries. Income taxes for all taxable entities are provided on a separate return basis. As of December 31, 2024, the Company had exhausted all net operating loss carryovers.

NOTE 13- SUBSEQUENT EVENTS

The Company did not have any subsequent events through April 4, 2025, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended December 31, 2024.

EXHIBIT F:

LIST OF CURRENT FRANCHISEES

AS OF DECEMBER 31, 2025

EXHIBIT F

LIST OF CURRENT FRANCHISEES

RESTAURANT LOCATION	FRANCHISEE/AREA DEVELOPER
4130 California Avenue Bakersfield, CA 93309 Tel: (661) 479-7054	AJ Astig Corporation 4050 Glencoe Ave., Suite 309 Marina Del Rey, CA 90292 Tel: (661) 440-3325
2127 Olympic Pkwy #1001 Chula Vista, CA, 91915 Tel: (619) 737 5913	Francisco De Borja De Borja Inc.** 2 Ibis Court Henderson, NV 89052 Tel: (702) 601-7477
8285 Mira Mesa Blvd. San Diego, CA 92126 Tel: (858) 397-2180	Francisco De Borja De Borja Inc.** 2 Ibis Court Henderson, NV 89052 Tel: (702) 601-7477
Grove Plaza 2220 E. Plaza Boulevard, Unit #H National City, CA 91950 (Outlet not yet opened)	Krystle De Borja OneThreeSix25 Inc.** 8285 Miramesa Boulevard, Suite A San Diego, CA 92126 Tel: (808)-989-4448
Building 6 Suite 907, College Park University Blvd. North, Jacksonville, FL 32211	Nelson and Phoebe Soriano PBN3JAX LLC 6162 Briarforest Road, N. Jacksonville, FL 32277 Tel: (323) 273-5107
801 Dillingham Blvd., #108 Honolulu, HI 96817 Tel: (808) 951-6297 Fax: (808) 599-5035	Mike and Maly San Luis Philippine Restaurant Group, LLC** 1319 S. Beretania Street Honolulu, HI 96814 Tel: (808) 593-8440
Waipahu Shopping Plaza 94-300 Farrington Highway, Suite F-1 Waipahu, HI 96797 Tel: (808) 951-6297 Fax: (808) 671-2789	Mike and Maly San Luis Philippine Restaurant Group, LLC** 1319 S. Beretania Street Honolulu, HI 96814 Tel: (808) 593-8440

RESTAURANT LOCATION	FRANCHISEE/AREA DEVELOPER
5033 N Elston Ave., Unit 102 Chicago, IL, 60630 Tel: (773) 830-6297	Leslie Food Ventures, LLC** 3534 Thornwood Avenue Wilmette, IL, 60091 Tel (847) 942-9093
687 Newark Avenue Jersey City, NJ 07306 Tel: (201) 798-2700 Fax: (201) 798-2701	Andrew Ferrer Keira Kaden, LLC** 687 Newark Avenue Jersey City, NJ 07306 Tel: (201) 798-2700
65 Belleville Avenue Bloomfield, NJ 07003 Tel: (973) 743-1900	Florence B. Arcilla East West Dai Cuisine, LLC 71 Forest Hills Way Cedar Grove, NJ 07009 Tel: (201) 704-3270
46-09 69th Street Woodside, NY 11377 Tel: (718) 489-4220	Keira Kaden II, LLC Andrew & Celeste Ferrer 46-09 69th Street Woodside, NY 11377 Tel: (347) 748-2588
8011-A South Main St. Houston, TX 77025 Tel: (832) 607-6420	MLG Foods Inc. Marie De Guzman 10015 Williams Field Drive Houston, TX 77064 Tel: (713) 474-5278
3388 Princess Anne Road, Suite S-417 Virginia Beach, VA 23456 Tel: (757) 689-2220	J. A. & Sons, Inc. Armi & Joselito Gonzales 834 Old Bridge Lane Chesapeake, VA 23320 Tel: (757) 338-3411
31811 Pacific Highway South Federal Way, WA 98003 Tel: (253) 617-1751	Guevarra Group, LLC Lolita Ocampo Guevarra 327 Tukwila Parkway Tukwila, WA 98188 Tel: (206) 661-0520
16830 South Center Parkway Tukwila, WA 98188 Tel: (206) 698-6297	Jojo's Restaurant LLC Joselito Santos 16830 South Center Parkway Tukwila, WA 98188 Tel: (206) 351-0588

RESTAURANT LOCATION	FRANCHISEE/AREA DEVELOPER
First Floor, Concourse 1 Micronesia Mall 1088 Marine Corps Dr. Dededo, Guam 96929 Tel: (671) 797-6297 and (671) 797-6298	Kalayaan Inc.** Eleanor Alinas Agingan Lane San Antonio, Saipan MP 96950 Tel: (671) 979-8880
3546 Kingsway Vancouver, BC V5R 5L7 Tel: (604) 435-3505 Fax: (604) 435-3507	Christopher S. Garcia** 3045 Greenwood Place Burnaby, BC V5A2Y3 Tel: (604) 435-3505
11650 142 Street NW Edmonton, AB T5M 1V4 Tel: (780) 453-8008 Fax: (780) 453-6262	Rebecca Benzon 1904828 Alberta Ltd. 8819 Ave. SW Edmonton, AB T6R OJ4 Tel: (780) 907-7676
1255 St. James Street Winnipeg, MB, R3H 0K9 Tel: (204) 615-6297	Hipolito Alibin Alibin Group INC 311 Oak Lawn Road Winnipeg, MB R3Y OH7 Tel (204) 999-4770

* In prior Franchise Disclosure Documents we inadvertently omitted references to this franchise agreement signed by Kalayann Inc. in 2018.

** Area Developer.

EXHIBIT G:

LIST OF COMPANY-OWNED AND AFFILIATE-OWNED OUTLETS

AS OF DECEMBER 31, 2025

EXHIBIT G

LIST OF COMPANY-OWNED AND AFFILIATE-OWNED OUTLETS

RESTAURANT LOCATION	AFFILIATE
313 West Broadway Glendale, CA 91204 Tel: (818) 637-7751 Fax: (818) 637-2325	Max's of Manila, Inc. 313 West Broadway Glendale, CA 91204 Tel: (818) 637-7751 Fax: (818) 637-2325
11130 Balboa Blvd. Granada Hills, CA 91344 Tel: (818) 488-9313 Fax: (818) 637-2325	Max's of Manila, Inc. 313 West Broadway Glendale, CA 91204 Tel: (818) 637-7751 Fax: (818) 637-2325
4641 Santa Monica Blvd, Los Angeles, CA. 90029USA Tel: (323)741-0016 Fax: (323) 741-0016	Max's of Manila, Inc. 313 West Broadway Glendale, CA 91204 Tel: (818) 637-7751 Fax: (818) 637-2325
1535 Landess Ave. #139 Milpitas, CA 95135 Tel: (408) 497-8885 Fax: (408) 497-8886	Rubylin, Inc. 1155 El Camino Real South San Francisco, CA 94080 Tel: (650) 872-6748 Fax: (650) 872-2612
19387 Soledad Canyon Rd. Santa Clarita, CA 91351 Tel: (661) 360-7053 Fax: (818) 637-2325	Max's of Manila, Inc. 313 West Broadway Glendale, CA 91204 Tel: (818) 637-7751 Fax: (818) 637-2325
1155 El Camino Real South San Francisco, CA 94080 Tel: (650) 872-6748 Fax: (650) 872-2612	Rubylin, Inc. 1155 El Camino Real South San Francisco, CA 94080 Tel: (650) 872-6748 Fax: (650) 872-2612
1290 E. Flamingo Road Las Vegas, NV 89119 Tel: (702) 433-4554 Fax: (702) 433-1898	Golden Wings Ventures, Inc. 300 S. Fourth Street, Suite 1700 Las Vegas, Nevada 89101 Tel: (702) 433-4554 Fax: (702) 383-8845

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EXHIBIT H:

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

EXHIBIT H

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

The following is a list of our Franchisees who had an outlet terminated, cancelled, transferred, not renewed or otherwise voluntarily or involuntarily ceased to do business during our last fiscal year ended December 31, 2025, or who have not communicated with us within 10 weeks of the date of this Franchise Disclosure Documents. The Franchisees' contact information is listed below:

This franchisee transferred the franchised business located in Tukwila, Washington, but its owners remain in the system as separate owners of other franchisee entities:

JS Restaurants LLC
Joselito and Lolita Santos
9735 S 222ND St.
Kent, WA, 98031-2410
Tel: (206) 351-0588

If you buy this franchise, your contact information will be disclosed to other buyers when you leave the franchise system.

EXHIBIT I:

STATE SPECIFIC ADDENDUM

TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND AREA DEVELOPMENT AGREEMENT

EXHIBIT I

STATE SPECIFIC ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND AREA DEVELOPMENT AGREEMENT

The following modifications are to the eMax's, LLC Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, 20____, Area Development Agreement dated _____, 20____, and Statement of Franchisee.

CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, AND WISCONSIN

The following provision applies only to franchisees and franchised Facilities that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and/or Wisconsin:

> No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the UFDD.

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

The Franchise Agreement and Area Development Agreement contain a covenant not to compete which, in the case of the Franchise Agreement extends beyond the termination of the franchise. This provision may not be enforceable under California law. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

The Franchise Agreement and Area Development Agreement require you to sign a general release of claims if you transfer your franchise or your Area Development Agreement. California corporations code § 31512 voids a waiver of your rights under the franchise investment law (California corporations code §§ 31000 through 31516). Business and professions code § 20010 voids a waiver of your rights under the franchise relations act (business and professions code §§ 20000 through 20043).

Section 31125 of the California Franchise Investment Law requires us to give to you a disclosure document approved by the California Commissioner of Financial Protection & Innovation before we ask you to consider a material modification of the Franchise Agreement or the Area Development Agreement.

Our website has not been reviewed or approved by the California Department of Financial Protection & Innovation. Any complaints concerning the contents of this website may be directed to the California Department of Financial Protection & Innovation at www.dfpi.ca.gov.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

Both the Governing Law and Choice of Law for Franchisees operating outlets located in California, will be the California Franchise Investment law and the California Franchise Relations Act regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement, Area Development Agreement or amendment to or any agreement to the contrary is superseded by this condition.

Section 30 of the Franchise Agreement is deleted.

Section 20.5 of the Area Development Agreement is deleted.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

HAWAII

The following is added to the Cover Page:

"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 COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED WITHIN THE FRANCHISE DISCLOSURE DOCUMENT 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 YOU AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT 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 US AND YOU."

The following list reflects the status of the franchise registrations of the Franchisor in the states which require registration:

A. This proposed registration is effective in the following states: None.
B. This proposed registration is or will shortly be on file in the following states: California, Illinois, Maryland, Virginia, and Washington
C. States which have refused, by order or otherwise, to register these franchises are: None.
D. States which have revoked or suspended the right to offer the franchises are: None.
E. States in which the proposed registration of these franchises has been withdrawn are: None.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR:	**FRANCHISEE:**
EMAX'S, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

ILLINOIS

Any provision in the Franchise Agreement or the Area Development Agreement that designates jurisdiction, limitation on actions, or venue, with the exception of arbitration proceedings, in a forum outside the State of Illinois are amended to state that Illinois law governs the Agreements.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Franchise Agreement and the Area Development Agreement are amended accordingly.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

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.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

INDIANA

The "Summary" column in ITEM 17.r. of the Franchise Disclosure Document pertaining to the Franchise Agreement is deleted and the following is inserted in its place:

"No competing business for two (2) years within the Designated Area."

The "Summary" column in ITEM 17.r. of the Franchise Disclosure Document pertaining to the Area Development Agreement is deleted and the following is inserted in its place:

"No competing business for two (2) years within the Designated Territory."

The "Summary" column in both ITEM 17.t. tables of the Franchise Disclosure Document is deleted and the following is inserted in its place:

"Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us."

The "Summary" column in both ITEM 17.u. tables of the Franchise Disclosure Document is deleted and the following is inserted in its place:

"Except for certain claims, all disputes must be arbitrated in Indiana. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act."

The "Summary" column in both ITEM 17.v. tables of the Franchise Disclosure Document is deleted and the following is inserted in its place:

"Litigation regarding Franchise Agreement in Indiana; other litigation in Colorado. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act."

The "Summary" column in both ITEM 17.w. tables of the Franchise Disclosure Document is deleted and the following is inserted in its place:

"Indiana law applies to disputes covered by Indiana franchise laws; otherwise Colorado law applies."

The following is hereby added at the end of Section 18.4(b)(viii) of the Franchise Agreement:

"excluding only such claims as the Franchisee may have that have arisen under the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Act."

Section 28.1 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

"28.1. Any monetary claim arising out of or relating to this Agreement, or any breach thereof, excluding any claim relating to the confidential information or the Marks shall be submitted to arbitration in accordance with the rules of the American Arbitration Association and judgment upon the award may be entered in any court having jurisdiction thereof. The proceedings will be conducted at a location in the state of Indiana mutually agreed upon by the parties in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association and shall be heard by one arbitrator in accordance with such rules. Nothing contained herein shall, however, be construed to limit or to preclude Franchisor from bringing any action in any court of competent jurisdiction for injunctive or other provisional relief as Franchisor deems to be necessary or appropriate to compel Franchisee to comply with his obligations hereunder or to protect the Marks or other property rights of Franchisor. In addition, nothing contained herein shall be construed to limit or to preclude Franchisor from joining with any action for injunctive or provisional relief, all monetary claims that Franchisor may have against Franchisee which arise out of the acts or omissions to act giving rise to the action for injunctive or provisional relief. This arbitration provision shall be deemed to be self-executing and in the event that Franchisee fails to appear at any properly noticed arbitration proceeding, award may be entered against Franchisee notwithstanding his failure to appear. This language has been included in this Franchise Agreement as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre- emption under the Federal Arbitration Act."

Section 19.1 of the Area Development Agreement is hereby deleted in its entirety and the following is substituted in its place:

"19.1. Any monetary claim arising out of or relating to this Agreement, or any breach thereof, excluding any claim relating to the confidential information or the Marks shall be submitted to arbitration in accordance with the rules of the American Arbitration Association and judgment upon the award may be entered in any court having jurisdiction thereof. The proceedings will be conducted at a location in the state of Indiana mutually agreed upon by the parties in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association and shall be heard by one arbitrator in accordance with such rules. Nothing contained herein shall, however, be construed to limit or to preclude Franchisor from bringing any action in any court of competent jurisdiction for injunctive or other provisional relief as Franchisor deems to be necessary or appropriate to compel Franchisee to comply with his obligations hereunder or to protect the Marks or other property rights of Franchisor. In addition, nothing contained herein shall be construed to limit or to preclude Franchisor from joining with any action for injunctive or provisional relief, all monetary claims that Franchisor may have against Franchisee which arise out of the acts or omissions to act giving rise to the action for injunctive or provisional relief. This arbitration provision shall be deemed to be self-executing and in the event that

Franchisee fails to appear at any properly noticed arbitration proceeding, award may be entered against Franchisee notwithstanding his failure to appear. This language has been included in this Franchise Agreement as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre- emption under the Federal Arbitration Act."

Sections 27.1 and 27.2 of the Franchise Agreement are hereby deleted in their entirety and the following is substituted in their place:

"27.1. This Agreement takes effect upon its acceptance and execution by Franchisor in the State of Colorado; disputes related to a breach of this Agreement governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act shall be governed thereby and all other matters regarding this Agreement shall be interpreted and construed under the laws of the State of Colorado, which laws shall prevail in the event of any conflict of law. This language has been included in this Franchise Agreement as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

27.2 With respect to disputes not related to a breach of this Agreement, Franchisee acknowledges that any action sought to be brought by either party, except those claims required to be submitted to arbitration shall be brought in the appropriate court with jurisdiction in Boulder County, or Denver, State of Colorado. The parties do hereby waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision."

Sections 18.1 and 18.2 of the Area Development Agreement are hereby deleted in their entirety and the following is substituted in their place:

"18.1. This Agreement takes effect upon its acceptance and execution by Franchisor in the State of Colorado; disputes related to a breach of this Agreement governed by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act shall be governed thereby and all other matters regarding this Agreement shall be interpreted and construed under the laws of the State of Colorado, which laws shall prevail in the event of any conflict of law. This language has been included in this Franchise Agreement as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

18.2 With respect to disputes not related to a breach of this Agreement, Franchisee acknowledges that any action sought to be brought by either party, except those claims

required to be submitted to arbitration shall be brought in the appropriate court with jurisdiction in Boulder County, or Denver, State of Colorado. The parties do hereby waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision."

The following is hereby added at the end of Section 25 of the Franchise Agreement:

"Notwithstanding anything to the contrary in this provision, Franchisee does not waive any right under the Indiana statutes with regard to prior representations made by the Franchisor."

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

MARYLAND

The Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement are amended to include the following modifications:

The "Summary" section of Item 17(v) entitled Choice of Forum is amended by the addition of the following language:

> "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

1. ITEM 17 of the Franchise Disclosure Document and sections of the Franchise Agreement and Area Development Agreement are 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 Franchise Disclosure Document and sections of the Franchise Agreement and Area Development Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

3. The Franchise Agreement, Area Development Agreement, and Statement of Franchisee are amended by the addition of the following language:

> "All representations requiring prospective franchisees to assent to a release, estoppels or waiver of liability are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

4. 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.).

5. Sections 30.1, 30.2, and 30.3 of the Franchise Agreement are deleted.

6. Sections 20.5 and 20.6 of the Area Development Agreement are deleted.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

MICHIGAN

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.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on your right to join an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

(c) A provision that permits us to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include your failure 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 us to refuse to renew your franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applied only if: (i) the term of the franchise is less than 5 years and (ii) you are 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.

(e) A provision that permits us 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 you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent us from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) Your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us 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 us the right to acquire the assets of a franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you unless provision has been made for providing the required contractual services.

THE FACT THAT 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:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise 670 Law Building
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR:	**FRANCHISEE:**
EMAX'S, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

MINNESOTA

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a 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 (2) that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J. Also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.
- 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.
- NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

- Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.
- Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

Section 28.5 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

28.5 Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding other than claims arising under Minn. Stat. §§ 80C.01-80C.22, which must be brought or instituted within a period of three (3) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding under Minn. Stat. §§ 80C.01-80C.22.

Section 19.4 of the Area Development Agreement is hereby deleted in its entirety and the following is substituted in its place:

19.4 Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding other than claims arising under Minn. Stat. §§ 80C.01-80C.22, which must be brought or instituted within a period of three (3) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding under Minn. Stat. §§ 80C.01-80C.22.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

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 ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard 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 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 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.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

NORTH DAKOTA

Sections of the Franchise Disclosure Document and the Franchise Agreement requiring that you sign a general release, estoppel or waiver as a condition of renewal and or assignment, may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

The Franchise Agreement and Area Development Agreement contain a covenant not to compete which may not be enforceable under North Dakota law.

Sections of the Franchise Disclosure Document, Franchise Agreement and Area Development Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement relating to choice of law, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement requiring you to consent to liquidated damages and/or termination penalties, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document, Franchise Agreement and Area Development Agreement requiring you to consent to a waiver of trial by jury, may not be enforceable under Section 51- 19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of exemplary and punitive damages, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Section 23 of the Franchise Agreement is hereby deleted in its entirety and the following is substituted in its place:

> "In the event either party is required to incur any direct or indirect costs, accounting and legal fees, or administrative expenses ("Enforcement Costs"), to enforce its rights under this Agreement, the prevailing party shall be entitled to reimbursement of such Enforcement Costs within five (5) days of the day the prevailing party presents the other party with an invoice for such Enforcement Costs."

Section 17 of the Area Development Agreement is hereby deleted in its entirety and the following is substituted in its place:

> "In the event either party is required to incur any direct or indirect costs, accounting and legal fees, or administrative expenses ("Enforcement Costs"), to enforce its rights under this Agreement, the prevailing party shall be entitled to reimbursement of such Enforcement Costs within five (5) days of the day the prevailing party presents the other party with an invoice for such Enforcement Costs."

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR:	**FRANCHISEE:**
EMAX'S, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The Franchise Disclosure Document and Franchise Agreement are amended accordingly to the extent required by law.

The above language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR:	**FRANCHISEE:**
EMAX'S, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

VIRGINIA

In recognition of the restrictions contained in Section 13.1. 564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for **eMax's, LLC** for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to ITEM 17.h:

"Under 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 or development agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Franchise Agreement dated the ____ of _____, 20___, the Area Development Agreement (if any) dated the ____ of _____, 20___, and of the Franchise Disclosure Document.

DATED this_____day of_____, 20___.

FRANCHISOR: **EMAX'S, LLC**	**FRANCHISEE:** _____
By:_____	By:_____
Title:_____	Title:_____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT, AND RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** 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.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** 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 provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** 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.

16. **Questionnaires and Acknowledgments.** 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.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____ 20__.

FRANCHISOR:	**FRANCHISEE:**
EMAX'S, LLC	_____
By:_____	By:_____
Title:_____	Title:_____

EXHIBIT J:

STATEMENT OF FRANCHISEE

STATEMENT OF FRANCHISEE

[Note: Dates and Answers Must be Completed in the Prospective Franchisee's Own Handwriting]

DO NOT SIGN THIS STATEMENT IF YOU ARE A RESIDENT OF MARYLAND OR THE BUSINESS IS TO BE OPERATED IN MARYLAND.

THIS STATEMENT SHALL NOT BE COMPLETED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE FRANCHISE IS SUBJECT TO THE STATE FRANCHISE DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

In order to make sure that no misunderstanding exists between you, the Franchisee, and us, eMax's, LLC (also called the "**FRANCHISOR**" or "**we**") and to make sure that no violations of law might have occurred, and understanding that we are relying on the statements you make in this document, you assure us as follows:

A. The following dates are true and correct:

	Date	Initials	
1.	_____, 20____	_____	The date on which I received a Franchise Disclosure Document regarding the Franchised Restaurant.
2.	_____, 20____	_____	The date of my first face-to-face meeting with Franchise Salesperson to discuss a possible purchase of a Franchised Restaurant.
3.	_____, 20____	_____	The date on which I received a completed copy (other than signatures) of the Franchise Agreement which I later signed.
4.	_____, 20____	_____	The date on which I signed the Franchise Agreement.
5.	_____,20____	_____	The earliest date on which I delivered cash, check or other consideration to the Franchise Salesperson or an officer of Franchisor.

B. Representations.

1. No oral, written, visual or other promises, agreements, commitments, representations, understandings, "side agreements," options, right-of-first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to advertising, marketing, site location, operational, marketing or administrative assistance, exclusive rights or exclusive or protected territory or otherwise), nor have I relied in any way on same, except as expressly listed in the Franchise Agreement or an attached written Addendum signed by me and Franchisor, except as follows:

_____

_____

(If none, you should write NONE in your own handwriting and initial.)

2. No oral, written, visual or other promises, agreements, commitments, representation, understandings, "side agreements" or otherwise which expanded upon or were inconsistent with the Franchise Disclosure Document or the Franchise Agreement or any attached written addendum signed by me and an officer of Franchisor, were made to me by any person or entity, nor have I relied in any way on same, except as follows:

_____

_____

(If none, you should write NONE in your own handwriting and initial.)

3. Except as listed in ITEM 19 of Franchisor's Franchise Disclosure Document, no oral, written, visual or other claim or representation (including but not limited to charts, tables, spreadsheets or mathematical calculations to demonstrate actual or possible results based on a combination of variables, such as multiples of price and quantity to reflect gross sales, or otherwise), which stated or suggested a specific level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or from which such items might be ascertained) from Franchisor's Franchised Restaurants, was made to me by any person or entity, nor have I relied in any way on any such claim or representation, except as follows:

_____

_____

(If none, you should write NONE in your own handwriting and initial.)

4. No contingency, prerequisite, reservation or otherwise exists with respect to any matter (including but not limited to my obtaining financing, or my fully performing any of my obligations), nor have I relied in any way on same, except as described in the Franchise Agreement or any attached written Addendum signed by me and Franchisor:

_____

_____

(If none, you should write NONE in your own handwriting and initial.)

5. The individuals signing for me constitute all of the executive officers, partners, shareholders, investors and/or principals. Each of such individuals has reviewed the Franchise Disclosure Document and all exhibits and carefully read, discussed, understands and agrees to the Franchise Agreement, each attached written Addendum and any personal guaranties.

6. I have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and Franchisor has strongly recommended that I obtain such independent advice. I have also been strongly advised by Franchisor to discuss my proposed purchase of a Franchised Restaurant with any existing eMax's, LLC franchisees prior to signing any binding documents or paying any sums and Franchisor has supplied me with a list of all existing franchisees if any exist.

7. I understand that a) entry into any business venture necessarily involves some unavoidable risk or loss or failure; b) while the purchase of a franchise may improve the chances for success, the purchase of a Franchised Restaurant or any other franchise is a speculative investment; c) investment beyond that outlined in the Franchise Disclosure Document may be required to succeed; d) there exists no guaranty against possible loss or failure in this or any other business; and e) the most important factors in the success of any Franchised Restaurant, including the one to be operated by me, are my personal business skills, which include marketing, sales, and management, and require sound judgment and extremely hard work.

If there are any matters inconsistent with the statements in this document or if anyone has suggested that you sign this document without all of its statements being true, correct and complete, immediately inform eMax's, LLC (Telephone: (303) 907-7971) and our managing director.

You understand and agree that we do not furnish, or authorize our salespersons, brokers or others to furnish any oral or written information concerning actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or information from which such items might be ascertained), from franchise or non-franchised units, that no such results can be assured or estimated, and that actual results will vary from unit to unit.

You understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

This Statement of Franchisee is not intended to limit any rights you may have under local law.

PROSPECTIVE FRANCHISEE:

_____
Date

_____
(Printed Name)

FRANCHISE SALESPERSON:

_____
Date

_____
(Printed Name)

REVIEWED BY FRANCHISOR:

By:_____

_____
Date

_____
(Printed Name)

Its:_____

EXHIBIT K:

FORM OF GENERAL RELEASE

EXHIBIT K
GENERAL RELEASE

This General Release ("**Release**") made this _____ day of_____, 20___, by and between eMax's, LLC, a limited liability company formed under the laws of the State of Colorado and having its principal place of business at 1350 Pine St. Suite 6, Boulder, CO 80302 ("**Franchisor**"), and each of the undersigned individuals/ partnerships/corporations/limited liability companies (jointly and severally, the "**Franchisee**").

WITNESSETH:

WHEREAS, Franchisee acquired one or more franchises from Franchisor to open and operate one or more MAX'S RESTAURANT CUISINE OF THE PHILIPPINES® restaurant (the "**Franchised Restaurant(s)**") pursuant to the eMax's, LLC Franchise Agreement(s) between Franchisor and Franchisee dated _____(the "**Franchise Agreement(s)**");

WHEREAS, Franchisee has elected to assign and transfer the Franchise Agreements and all Franchisee's rights thereunder in accordance with the terms of the Franchise Agreements; and

WHEREAS, Franchisor has agreed to consent to such assignment and transfer on condition that, among other things, Franchisee execute this Release.

NOW, in consideration of the above, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisee and Franchisor hereby agree as follows:

1. Release. Franchisee hereby absolutely and forever releases and discharges Franchisor and its Related Parties (as defined below), from and against any and all Claims (as defined below) of Franchisee arising out of or relating to the offer or sale of the Franchise Agreement(s), including violations of any federal or state law, rule, or regulation pertaining thereto. "**Related Parties**" means predecessors, affiliates, agents, employees, successors, assigns, and their respective officers, directors, shareholders, heirs, executors, and representatives. "**Claims**" means any and all claims, proceedings, demands, causes of actions, rights to terminate and rescind, liabilities, losses, damages, and rights of every kind and nature whatsoever, whether now known or unknown, suspected or unsuspected, at law or in equity, which the releasing party now has, owns or holds, at any time before this time ever had, owned or held, or at any time after this time has, owns or holds. Franchisee hereby irrevocably covenants not to assert, or to initiate any suit or proceeding based in whole or in part upon any Claim released hereunder. 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.

2. Entire Agreement. This Release supersedes any prior negotiations and agreements, oral or written, with respect to its subject matter. This Release may not be amended except in a writing signed by all of the parties. No representations, warranties, agreements, or covenants have been made with respect to this Release, and in executing this Release, none of the parties is relying upon any representation, warranty, agreement, or covenant not set forth herein.

3. Acknowledgement. Each of the parties certifies to the other that it has read all of this Release and fully understands all of the same and that it has executed this Release after having had the opportunity to obtain legal advice as to such party's rights from legal counsel of its choice.

4. Power and Authority. Each of the parties represents and warrants to the other that it has the full power and authority to execute this Release, and to do any and all things reasonably required

hereunder. Nothing herein shall constitute an admission of any liability or wrongdoing by any party hereto.

5. No Assignment. Franchisee represents and warrants to Franchisor that it has not assigned, transferred, or conveyed to any third party all or any part of or partial or contingent interest in any of the released matters which are called for to be released by this Release now or in the future, that it is aware of no third party who contends or claims otherwise, and that it shall not after this time purport to assign, transfer, or convey any such claim.

6. Choice of Law. This Release shall be construed in accordance with and all disputes hereunder shall be governed by the laws of the State of Colorado. If any legal action is necessary to enforce the terms and conditions of this Release, the parties hereby agree that any action sought to be brought by either party, shall be brought in the appropriate state or federal court covering Boulder County, or Denver, Colorado, with jurisdiction over the matter.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Release in multiple copies the day and year first above written.

ATTEST: eMAX's, LLC

By:_____

Title: _____

ATTEST/WITNESS: FRANCHISEE:

By:_____

Title: _____

EXHIBIT L:

STATE EFFECTIVE PAGE AND RECEIPT

State Effective Dates

The following states have franchise laws that require that the 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 Franchise Disclosure 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	
Illinois	
Maryland	
Virginia	

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.

RECEIPT
(Retain This Copy)

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If eMax's, 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 any payment to, eMax's, LLC or an Affiliate of eMax's, LLC in connection with the proposed franchise sale or grant. Under Illinois, Iowa, Maine, Nebraska, New York, Oklahoma, Rhode Island, or South Dakota law, if applicable, eMax's, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise.

New York law requires a franchisor to provide the franchise 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.

If eMax's, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on **Exhibit A**.

The name, principal business address and telephone number of each franchise seller offering the franchise: William E. Rodgers and/or Lana Marcaida at 1350 Pine St. Suite 6, Boulder, CO 80302, (303) 907-7971.

Issuance Date: **April 15, 2026**

See **Exhibit A** for our registered agents authorized to receive service of process.

I received a disclosure document dated April 15, 2026, that included the following Exhibits on:

A. List of State Administrators and Agents for Service of Process
B. Table of Contents for Operations Manual
C. Form of Franchise Agreement
D. Form of Area Development Agreement
E. Financial Statements
F. List of Current Franchisees as of December 31, 2025
G. List of Company-Owned and Affiliate-Owned Outlets as of December 31, 2025
H. List of Franchisees Who Have Left the System
I. State Specific Addendum to Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement
J. Statement of Franchisee
K. Form of General Release
L. State Effective Page and Receipt

_____

Date Signature Printed Name

_____

Date Signature Printed Name

RECEIPT
(Our Copy)

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If eMax's, 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 any payment to, eMax's, LLC or an Affiliate of eMax's, LLC in connection with the proposed franchise sale or grant. Under Illinois, Iowa, Maine, Nebraska, New York, Oklahoma, Rhode Island, or South Dakota law, if applicable, eMax's, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise.

New York law requires a franchisor to provide the franchise 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.

If eMax's, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on **Exhibit A**.

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J. Statement of Franchisee
K. Form of General Release
L. State Effective Page and Receipt

_____

Date Signature Printed Name

_____

Date Signature Printed Name

Please sign this copy of the receipt, date your signature, and return it to William E. Rodgers, 1350 Pine St. Suite 6, Boulder, CO 80302.