FRANCHISE DISCLOSURE DOCUMENT
(Unit & Area Development)

AIM GOOD USA Corporation
A Delaware Corporation
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The franchise offered is to operate a Wanpo food service establishment offering teas, tea-based beverages, bubble tea, compatible food products, tea makers and related supplies, accessories and gifts. The total investment necessary to begin operation of a Wanpo Tea Shop under a Unit Franchise Agreement is US$196,500 ~ US$352,900, depending on the size of a Tea Shop. This includes US$67,600 ~ US$69,800 that must be paid to the franchisor or its affiliate(s), as applicable. The total investment necessary to begin operation of a Wanpo Tea Shop under an Area Development Franchise Agreement is US$365,900 ~ US$522,300, depending on the size of a Tea Shop. This includes US$243,000 ~ US$245,200 that must be paid to the franchisor or its affiliate(s), as applicable.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different format, contact Ryan Liu ~~Blair Lin~~, Overseas Sales Representative, at No. 38, Sec. 2, Huanzhong Rd., Xitun Dist., Taichung City, 407 Taiwan (R.O.C.), 886-4-2426-2239, ryan@aimgood.com.tw ~~blair@aimgood.com.tw~~. The term of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contracts carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

There may also be laws on franchising in your state. Ask your state agencies about them.

The Issuance Date: March 22, 2024 ~~April 14, 2023~~

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit 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 A 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 Wanpo Tea Shop in my area?	Item 12 and the "territory" provisions in the Unit Franchise Agreement or Area Development 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 has been involved in material litigation or bankruptcy proceedings.
What's it like to be a Wanpo Tea Shop franchisee?	Item 20 or Exhibit 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 Unit Franchise Agreement and the Area Development 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 Unit Franchise Agreement and the Area Development 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 Unit Franchise Agreement or the Area Development Franchise Agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your Unit Franchise Agreement and the Area Development 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 Unit Franchise Agreement and the Area Development 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 D**.

Your state also may have laws that require special disclosures or amendments be made to your Unit Franchise Agreement or Area Development Franchise Agreement. If so, you should check the State Specific Addenda, **Exhibit E**. 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 Unit Franchise Agreement and the Area Development Franchise Agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty and advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Short operating history**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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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EXHIBITS

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

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

The Franchisor is Aim Good USA Corporation, which will be referred to as “Wanpo”, “we”, or “us”. The term “you”, or “Franchisee” means the person, corporation, limited liability company, partnership or other legal entity that is granted the franchise (as well as the direct and indirect owners of any corporation, limited liability company, partnership, or other legal entity that becomes a franchisee). We do not conduct any business activity other than franchising tea shops. Our affiliates operate company-owned tea shops under the Wanpo System (as described below) in the U.S. and internationally and franchised tea shops under the Wanpo System internationally.

Franchisor, Parent, Affiliates
We are a Delaware corporation, formed on May 19, 2020. Our principal place of business is No. 38, Sec. 2, Huanzhong Rd., Xitun Dist., Taichung City, 407 Taiwan (R.O.C.). We currently do business in the organizational name “Wanpo” and under the marks “Wanpo™,” “萬波™,” and “ ™.” We do not do business or intend to do business under any other names. We have conducted a franchise business of the type to be operated by the franchisee since 2018 and we have offered unit and area development franchise business more than four years. We do not have any predecessor during the 10-years period immediately before close of our most recent fiscal year. We do not conduct business under any other name. We currently have no predecessor, affiliates or parents required to be included in this Item (except as provided below). We currently do not operate any company-owned Wanpo Tea Shop. Our parent company, AIM GOOD International Co., Ltd. (“Aim Good”), is a corporation formed under the laws of Taiwan in 2018, and continued as a corporation under the laws of Taiwan. Aim Good offers franchises for business offering teas, tea-based beverages, compatible food and drink products, tea makers and related supplies, accessories and gifts outside of the United States. As of May, 2021, Aim Good and its affiliates have opened close to one hundred of Tea Shops worldwide. Aim Good licenses us the right to use and sublicense the use of “Wanpo™,” “萬波™,” and “ ™.” names and related marks in the United States. We do not have a physical office or operations in Delaware. Our business address is InCorp Services, Inc., 919 North Market Street, Suite 950, DE 19801. All communication and activities will be through our office in Taiwan.

Agent for Service of Process
Our own agent for service of process in California is the Department of Financial Protection and Innovation, its principle address is at 2101 Arena Boulevard Sacramento, CA 95834.

The Business We Offer
We possess advanced technology, management system, continuous and innovative product development, and knowledge in relation to a unique and distinctive system relating to the development and operation of “Wanpo” tea shop establishment with unique product lines, distinctive fixtures, equipment, interior and exterior accessories, color scheme, inventory and accounting system, of which may be changed, improved, and further developed by us or our

affiliates from time to time (the “Wanpo System”). The distinguishing characteristics of the Wanpo System include, for example, distinctive exterior and interior design, decor, color and identification schemes and furnishings; special menu items; standards, specifications and procedures for operations, manufacturing, distribution and delivery; quality of products and services offered; management programs; training and assistance; and marketing, advertising and promotional programs, all of which we may change, supplement, and further develop.

We offer a franchise to qualified individuals to own and operate a single Tea Shop at a specific location that we approve under the terms of our standard Unit Franchise Agreement, attached as Exhibit B (the “Unit Franchise Agreement”), or multiple Tea Shops at locations within a Protected Territory (as defined below), under the terms of our standard Area Development Franchise Agreement, attached as Exhibit C (the “Area Development Franchise Agreement”, together with the Unit Franchise Agreement, the “Agreements”), and you will need to sign the Acknowledgment Addendum to the Unit Franchise Agreement or the Area Development Franchise Agreement, attached as Exhibit F and G respectively, before the Unit Franchise Agreement or the Area Development Franchise Agreement is to be effective. Under our Agreements, we grant our franchisees the right (and they accept the obligation) to operate one or multiple Tea Shops, selling gourmet teas-based beverages, compatible food products, tea makers and related supplies, accessories and gifts we approve under the Wanpo System. There may be instances where we have or will vary the terms to suit the circumstances of a particular transaction.

Your Tea Shops will offer products and services to the general public throughout the year and compete with other beverage and food product service business. Tea Shops are not seasonal. The market for your type of products and services generally is developed and very competitive in the United States. You can expect to compete in your market with locally-owned businesses as well as national and regional chains that sell similar products. The market for tea-based beverage, bubble tea, related goods and food products, as well as related gifts and accessories, is well-established and highly competitive. Tea Shops compete on the basis of factors such as price, service, location, convenience and food quality. Additionally, you may find that there is competition for suitable locations. Principal factors that will vary but that will impact our brand’s competitive position are name recognition (which is stronger in some regions than in others), product quality, variety, presentation, location, and advertising. Tea Shops business may also be affected by other factors, such as changes in consumer taste, economic conditions, population, and travel patterns.

You may also compete with other existing Tea Shops and with new Tea Shops that we may operate, franchise, or license in the future. Your competition may also include other outlets selling coffee, tea, and food items, grocery stores, convenience stores, and specialty coffee shops. We may grant selected franchisees unique rights or franchises to operate or distribute authorized products through special distribution channels, such as vending machines, supermarkets, online retail stores, or grocery stores. These special arrangements may involve special agreements or modifications to our standard franchise and other agreements.

Applicable Regulations

We are not aware of any laws or regulations specific to the industry in which a Tea Shop operates. However, you must comply with all local, state, and federal laws and regulations that apply to any business. We urge you to inquiries about these laws and regulations, including health (nutrition, menu labeling), sanitation, no smoking, EEOC, OSHA, discrimination, employment, data security and privacy, tax, and sexual harassment laws. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for individuals with disability and that may affect your building construction, site design, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. You must also obtain real estate permits, licenses, and operational licenses. Federal, state and local laws and regulations also regulate businesses handling food and food products, in particular refrigerated and frozen food items, and these laws and regulations will apply to your business. Please also note that your local county health departments reserve the right to inspect Tea Shops to ensure compliance with safe food handling practices and adequacy of kitchen facilities.

Government contractor laws may also apply if your Tea Shop is located (or if, subject to the Agreement, you sell products) at military bases or other government facilities. For example, you may be required to comply with regulations such as government contractors' wage and hour restrictions, preparation and maintenance of written affirmative action plans, retention and access of records, special procedures for resolving contractual disputes, listing employment openings with state employment services, and termination of the contract for default or for the convenience of the government. You should carefully review these requirements with your attorney before entering into any government contracts.

ITEM 2: BUSINESS EXPERIENCE

Chairman, President: Ting-Wei Chang ~~(aka 張庭偉)~~
Mr. Chang is now the Chairman and President of Aim Good in Taiwan since June 2018 to present. Prior to founding Aim Good, Mr. Chang served as the Brand Executive Director and CEO for Inkism International Co., Ltd. He joined Inkism International Co., Ltd. from October 2012 to June 2018, and has served in its Business Development department, Sales and Marketing Department, and International Business Development.

ITEM 3: LITIGATION

California Department of Financial Protection and Innovation
Notice of Violation (app-25768)

Aim Good International Co., Ltd., the parent company of Aim Good USA Corporation, engaged in the sale of a master franchise and a unit franchise within the State of California without obtaining the requisite prior registration. This action was found to be in violation of Section 31110 of the California Franchise Investment Law, which stipulates that any franchise offered or sold within or from the state must be duly registered with the Department of Financial Protection and Innovation, except where the franchisor qualifies for an exemption from such registration.

Upon identification of the non-compliance, Aim Good International Co., Ltd. submitted a formal Notice of Violation to the California Department of Financial Protection and Innovation, in accordance with regulatory protocols. In response to this violation, the company was directed to extend a rescission offer to the affected franchisee. The franchisee, after due consideration, elected to decline the rescission offer and opted to continue operating the franchise business under the existing terms.

On May 11, 2023, the State of California issued an official order acknowledging and accepting the Notice of Violation filed by Aim Good International Co., Ltd. on September 26, 2022. This order formalizes the resolution of the incident and the compliance measures undertaken by Aim Good International Co., Ltd. to address the regulatory infraction.

~~No litigation is required to be disclosed in this Item 3.~~

ITEM 4: BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5: INITIAL FEES

Non-Refundable Franchise Fee
Unit

The total non-refundable Franchise Fee for franchising one Tea Shop is $30,000 (the "Non-Refundable Unit Franchise Fee"). 100% of the Non-Refundable Unit Franchise Fee is payable on the signing date of the Unit Franchise Agreement. The Non-Refundable Franchise Fee is not refundable and must be paid in full without reduction or offset.

Area Development
The total non-refundable Franchise Fee for franchising one Tea Shop is $200,000, payable on the signing date of the Area Development Franchise Agreement (the "Non-Refundable Area Development Franchise Fee"). The Non-Refundable Area Development Franchise Fee is not refundable and must be paid in full without reduction or offset.

Refundable Security Deposit
Unit

You are also responsible for a refundable Security Deposit of US$10,000 (the "Unit Refundable Security Deposit"), payable on the signing of the Unit Franchise Agreement. Unit Security Deposit will be returned to the Franchisee at upon the expiration or termination of the Unit Franchise Agreement if the Franchisee has not materially breached the Unit Franchise Agreement.

Area Development
You are also responsible for a refundable Security Deposit of US$10,000 (the "Area Development Refundable Security Deposit"), payable on the signing of the Area Development Franchise Agreement. Area Development Security Deposit will be returned to the Franchisee at upon the expiration or termination of the Area Development Franchise Agreement if the Franchisee has not materially breached the Area Development Agreement.

Unit Refundable Security Deposit and Area Development Refundable Security Deposit will collectively be called "Security Deposit."

Non-Refundable Monthly Brand Maintenance Fees
Unit
We will charge you a monthly Brand Maintenance fee of US$150 per each Tea Shop, and you shall pre-paid twelve (12) months. As such, the first payment of the Brand Maintenance Fee is US$1200 is payable upon the signing this Agreement. The paid Brand Maintenance fee is not refundable under any circumstances.

Area Development
We will charge you a monthly Brand Maintenance fee of US$100 per each Tea Shop, and you shall pre-paid twelve (12) months. As such, the first payment of the Brand Maintenance Fee is US$1,200 is payable upon the signing this Agreement. The paid Brand Maintenance fee is not refundable under any circumstances.

Non-Refundable Design and Floor Plan Fees
You will arrange for the construction or remodeling of a Tea Shop. We will provide you with basic design and floor plan for a fee in the amount of between US$2,500 ("Design and Floor Plan Fee") for each Tea Shop, depending on the square footage of a Tea Shop, and we agree to provide reasonable assistance to you as requested by you during the construction or remodeling of a Tea

Shop at your reasonable cost. The Design and Floor Plan Fee is payable once the square footage of a Tea Shop is confirmed, and it is non-refundable. Please note that under the Area Development Franchise Agreement, the Design and Floor Plan Fee for your first store in your Protected Territory would be complimentary.

If you purchase an existing Tea Shop, you must also purchase the assets of the business from the owner of a Tea Shop, which may include furniture, fixtures, equipment, supplies, and inventory (in addition to payment of all fees that will need to be paid or prepare to be paid before the opening or within three (3) months of opening, such as the franchise fees and refundable Security Deposit the "Initial Franchise Fee"), for a price to be negotiated between you and the owner, which will vary from unit to unit.

All payments made under this Agreement will be subject to reduction to reflect taxes or other charges required to be withheld by law. In the event that Franchisee is required to withhold taxes on behalf of Franchisor, Franchisee will inform Franchisor and provide documents relating to the withholding tax. The Initial Franchise Fee are not refundable under any circumstances.

We charge a late fee of 5% or the highest amount allowed by law for late payment of any other amount due. If you fail to make all required installment payments within the period provided, we may elect to terminate our relationship by proving you with a written notice. There are no refunds under any other circumstances. We reserve the right to waive or reduce the Initial Franchise Fee. Except for the Initial Franchise Fee, we realize no material or directly contemplated benefit from your initial investment. Please note each franchise sale is an independent transaction, whether you currently own a franchise or not and the cost and the terms for payment are identical to that as described above.

Non-Refundable Opening Inventory

Before opening a Tea Shop, you must purchase an initial inventory consisting of products from suppliers approved by us. The assortment and number of these items will be based upon the size and configuration of your Tea Shop. The estimated cost for the opening inventory of these products varies from location to location depending on seasons and the storage capacity of a Tea Shop. We estimate the Opening Inventory cost to be between US$23,000 and US$25,000.

Complimentary Initial Training Fee

The initial training cost is included in the Franchise Fee. Franchisee must attend the initial training session along with Franchisee's designated personnel, which will take place on-site atFranchisor's designated training center. Following the signing of this Agreement, you will assign minimum two (2) to maximum five (5) of your staff to receive initial mandatory trainings for a minimum of fourteen (14) calendar days at a schedule agreed upon by both Parties. You will be solely responsible for all of your staff's incurred expenses including, but not limited to, wage, transportation, accommodations and meal expenses.

The initial mandatory training covers tea shop production and operation; HR management; product management and development; inventory and logistics systems; and other training programs as we see fit.

Non-Refundable Pre-Opening Consultation Fee
Upon the completion of the initial mandatory training, you are required to work with a business operation consultant assigned by us to assist you in the overall operating plan for a period of fourteen (14) calendar days prior to the opening of a Tea Shop. The business operation consultant will provide you with guidance in areas such as labor management and tea shop management and operation. We will be responsible for the consultant's salary. You will be responsible for the expenses incurred locally including, but not limited to, consultant's airfare, local transportation, three-stars or above hotel accommodation, and other reasonable costs. If we pay the aforesaid fee in advance, you will reimburse us within seven (7) calendar days upon receiving our written reimbursement request, such fee would be non refundable if incurred.

In the event that you will require assistance in addition to the complimentary 14 calendar days, the additional cost would be US$300 per operation consultant per day, plus the round trip airfare to your designated location, the local transportation, meal, three stars or above hotel accommodation, and other reasonable costs incur on behalf of you.

Non-Refundable Uniforms
In order to enhance the customer experience at a Tea Shop and to protect our reputation for quality service, you are required to obtain the Uniforms from an e-store set up by Franchisor's affiliates or from other approved manufacturers or distributors. We estimate the Uniforms cost to be between US$300 and US$500. The paid payment for Uniforms is not refundable.

ITEM 6: OTHER FEES

Unit

Type of fee (note 1)	**Amount**	**Due Date**	**Remarks**
Royalty Fees	3% of the Gross Monthly Sales, with a minimum monthly royalty fee of US$600	The royalty fee for the previous month is payable before the 10th of the next month	"Gross Monthly Sales" means the aggregate amount of all sales of our products, food, beverages and other merchandise and products approved by us and sold and services rendered at Tea Shop per month but excluding: (a) value-added, sales or service taxes collected from customers and paid to the applicable governmental taxing authority; and (b) all customer refunds and adjustments and promotional discounts, including senior citizens discount. This fee is uniformly imposed and collected.

Brand Maintenance Fee	US$150 per Tea Shop	payable on the signing the Unit Franchise Agreement	We will pre-charge 12 months of the Brand Maintenance Fee of the Tea Shop at the signing of the Unit Franchise Agreement. This fee is uniformly imposed and collected.
Design and Floor Plan Fee	US$2,500 per Tea Shop	When billed.	The amount of the Design and Floor Plan Fee depends primarily upon the size of the Tea Shop and the configuration. These figures are estimates only and we cannot and do not guarantee that your costs will fall within the stated ranges. This fee is uniformly imposed and collected.
Marketing Fund Contributions (note 2)	Certain percentage of Gross Monthly Sales, not yet determined	Payable on a monthly basis	Applicable only when we have established a Marketing Fund. See Item 11 for details on Marketing Fund. Once established, this fee is uniformly imposed and collected.
Advertising and Marketing Materials Sample/Template	None	Before opening	We will provide you with electronic copies of advertising, marketing and promotional materials for the opening period, ready for printing. This fee is uniformly imposed and collected if inccured.
Printed Advertising and Marketing Materials	US$1,000	As incurred	Upon your written request, we will provide the printed advertising and marketing materials for the pre-opening, and charge you the cost of production, shipping, handling, and storage of the material. This fee is uniformly imposed and collected if inccured.
Post Opening Consultation Fees (note 3)	US$300 per person per day, round trip airfare; local transportation, three stars or above hotel accommodation, and other reasonable costs incur on behalf of you	Before the training or consultation begins or when billed	After the opening of a Tea Shop, in the event that you request additional consultation service, you will discuss and schedule with us in advance. For all post opening training sessions and conferences, you must pay for your trainees' and

			representatives’ salaries and benefits, and for their travel, lodging. This fee is uniformly imposed and collected if inccured.
Opening Inventory	US$23,000~ US$25,000	The date that the shipment clear customs	The assortment and number of these items will be based upon the size and configuration of your Tea Shop.
Renewal Fees (note 4)	US$0~US$15,000	Prior to granting renewal	If you request to renew Unit Franchise Agreement.
Financial Audit Fee	Cost of audit	When billed	Payable after an audit, only if we find that you have understated any amount you owe to us by more than 3%. This fee is uniformly imposed and collected if inccured.
Late Payment	Interest on unpaid amount at 5% per month or highest rate allowed by law	When billed	We can change these fees without notice. They apply if you fail to pay us. This fee is uniformly imposed and collected if inccured.
Manual Replacement Fee	Currently, we do not charge a fee, but we reserve the right to do so	When billed	If you request additional or replacement copies of the Manual. This fee is uniformly imposed and collected if inccured.
Liquidated Damages for Buying from Unauthorized Supplier	US$10,000	Per violation	Franchisee is liable for all additional damages and losses incurred by franchisor from violation. This fee is uniformly imposed and collected if inccured.
Liquidated Damages for All Other Violation	US$10,000	Per violation	All gains that the Franchisee derives from the violations shall also be refunded to us. This fee is uniformly imposed and collected if inccured.
Transfer Fees	US$10,000	At the time of transfer	The transfer is subject to our Right of First Refusal. This fee is uniformly imposed and collected if inccured.
Cost and Attorney Fees	Will vary under circumstances	On demand	If you default under the Agreements, you must reimburse us for the expenses we incur (such as attorney fees)

			in enforcing or terminating the applicable Agreements. This fee is uniformly imposed and collected if inccured.
Indemnification	Will vary under circumstances	On demand	You must reimburse us for the costs and damages we incur in for any claims that arise from your Tea Shop’s operation. This fee is uniformly imposed and collected if inccured.

Area Development

Type of fee (note 1)	Amount	Due Date	Remarks
Royalty Fees	3% of the Gross Monthly Sales, with a minimum monthly royalty fee of YS$600	The royalty fee for the previous month is payable before the 10th of the next month	"Gross Monthly Sales" means the aggregate amount of all sales of our products, food, beverages and other merchandise and products approved by us and sold and services rendered at Tea Shop per month but excluding: (a) value-added, sales or service taxes collected from customers and paid to the applicable governmental taxing authority; and (b) all customer refunds and adjustments and promotional discounts, including senior citizens discount. This fee is uniformly imposed and collected.
Brand Maintenance Fee	US$100 per Tea Shop	payable on the signing the Area Development Franchise Agreement	We will charge 12 months of the Brand Maintenance Fee of one Tea Shop at the signing of the Area Development Franchise Agreement, and additional 12 months of the Brand Maintenance Fee will be charged for each of the new Tea Shop, payable upon the Opening of each additional Tea Shop. This fee is uniformly imposed and collected.
Design and Floor Plan Fee	US$2,500 per Tea Shop	When billed	The amount of the Design and Floor Plan Fee depends primarily upon the size of the Tea Shop and the configuration. These figures are estimates only and we cannot and do not guarantee that your costs will fall within the stated ranges. This fee is uniformly imposed and collected.
Marketing Fund Contributions (note 2)	Certain percentage of Gross Monthly Sales, not yet determined	Payable on a monthly basis.	Applicable only when we have established a Marketing Fund. See Item 11 for details on Marketing Fund.

Advertising and Marketing Materials Sample/Template	None.	Before opening	We will provide you with electronic copies of advertising, marketing and promotional materials for the opening period, ready for printing. Once established, this fee is uniformly imposed and collected.
Printed Advertising and Marketing Materials	US$1,000	As incurred	Upon your written request, we will provide the printed advertising and marketing materials for the pre-opening, and charge you the cost of production, shipping, handling, and storage of the material. This fee is uniformly imposed and collected if incurred.
Post Opening Consultation Fees (note 3)	US$300 per person per day, round trip airfare; local transportation, three stars or above hotel accommodation, and other reasonable costs incur on behalf of you	Before the training or consultation begins or when billed	After the opening of a Tea Shop, in the event that you request additional consultation service, you will discuss and schedule with us in advance. For all post opening training sessions and conferences, you must pay for your trainees' and representatives' salaries and benefits, and for their travel, lodging. This fee is uniformly imposed and collected if incurred.
Opening Inventory	US$23,000~ US$25,000	the date that the shipment clear customs	The assortment and number of these items will be based upon the size and configuration of your Tea Shop. This fee is uniformly imposed and collected if incurred.
Renewal Fees (note 4)	US$0~US$100,000	Prior to granting renewal	Payable when you request to renew the Master Franchise Agreement. This fee is uniformly imposed and collected if incurred.
Financial Audit Fee	Cost of audit	When billed	Payable after an audit, only if we find that you have understated any amount you owe to us by more than 3%. This fee is uniformly imposed and collected if incurred.

Late Payment	Interest on unpaid amount at 5% per month or highest rate allowed by law	When billed	We can change these fees without notice. They apply if you fail to pay us. his fee is uniformly imposed and collected if incurred.
Manual Replacement Fee	Currently, we do not charge a fee, but we reserve the right to do so	When billed	If you request additional or replacement copies of the Manual. This fee is uniformly imposed and collected if incurred.
Liquidated Damages for Buying from Unauthorized Supplier	US$10,000	Per violation	Franchisee is liable for all additional damages and losses incurred by franchisor from violation. This fee is uniformly imposed and collected if incurred.
Liquidated Damages for All Other Violation	US$10,000	Per violation	All gains that the Franchisee derives from the violations shall also be refunded to us. This fee is uniformly imposed and collected if incurred.
Transfer Fees	US$10,000.	At the time of transfer.	The transfer is subject to our Right of First Refusal. This fee is uniformly imposed and collected if incurred.
Cost and Attorney Fees	Will vary under circumstances	On demand	If you default under the Agreements, you must reimburse us for the expenses we incur (such as attorney fees) in enforcing or terminating the applicable Agreements. This fee is uniformly imposed and collected if incurred.
Indemnification	Will vary under circumstances	On demand.	You must reimburse us for the costs and damages we incur in for any claims that arise from your Tea Shop's operation. This fee is uniformly imposed and collected if incurred.

Notes:

1. All fees as described in Item 6 are non-refundable, imposed by and are paid to us. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed and they must be paid in full. Except as specifically stated above, fees may be adjusted based on changes in market conditions, our cost of providing services and future policy changes. At the present time we have no plans to adjust fees schedule over which we have control.

2. We reserve the right to establish and administer a marketing fund for the Wanpo System. We have not established the fund, and do not intend to establish a fund until an adequate number of Tea Shops have been established to provide national or regional marketing for the benefit of the Wanpo System. We anticipate that all Tea Shops will contribute to the marketing fund. When the advertising fund is established, we estimate that Franchisees will contribute approximately 3% of gross monthly sales. For more details, please see Item 11.
3. The fee represents our cost of providing the training, including our administrative costs of making personnel available for training purposes, and the cost of materials.
4. We will regularly perform operational audits on your compliance of the Wanpo System and will provide you with a score. If you disagree with the result of the inspection and audit, you must raise your disagreement with related evidence with us within 10 business days. The Parties may discuss in good faith on the discrepancies, but we reserve the right to assign the score at our sole discretion. Based on our audit, the renewal fees structure is as follows:
    a. 90 and above: 0%~20% of the Franchise Fee
    b. 85 to 90: 20% of the Franchise Fees
    c. 80 to 85: 30% of the Franchise Fees
    d. 70 to 80: 50% of the Franchise Fees
    e. Below 70: will not be offering renewal.

ITEM 7: ESTIMATED INITIAL INVESTMENT

Unit

Type of Expenditure (note 1)	**Amount(US$)**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Franchise Fee (note 2)	US$30,000	As arranged	Due on the signing of the Unit Franchise Agreement	Us
Refundable Security Deposit	US$10,000	Due on the signing of the Unit Franchise Agreement	Due on the signing of the Unit Franchise Agreement	Us
Minimum Royalty Fee	US$600	Due on the signing of the Unit Franchise Agreement	Due on the signing of the Unit Franchise Agreement	Us
Brand Maintenance fee	US$1,800	As arranged	Due on the signing of the Unit Franchise Agreement	Us
Design and Floor Plan Fee	US$2,500	As arranged	When billed	Us
Related Personnel Cost for initial training (note 3)	US$4,000	As arranged	Before opening	Third party
Additional Training (note 3)	US$0	As arranged	As incurred	Us
Equipment	US$30,000~ US$50,000	As arranged	As incurred	Third party
Utensils	US$1,800~ US$2,500	As arranged	As incurred	Third party
Rent for a Tea Shop (note 4)	US$2,000 ~ US$10,000	Before opening, as arranged	As specified in lease	Third party
Rental for Warehouse (note 4)	US$0~ US$5,000	Before opening, as arranged	As specified in lease	Third party

Renovation (note 5)	US$50,000~ US$100,000	Before opening, as arranged	As incurred	Third party
Initial Inventory (note 6)	US$23,000~ US$25,000	Before opening	As incurred	Us
Licenses, Permits, Fees and Deposit	US$12,000	Before opening	Lump Sum	Third party
Point of Sale System (note 7)	US$1,500	Before opening	Lump Sum	Third party
Office Equipment & Supplies	US$1,500	As arranged	As incurred	Third party
Uniforms	US$300~ US$500	Before Opening	As incurred	Us
Insurance (note 8)	US$4,500~ US$15,000	Before opening, as arranged	As incurred	Third party
Advertisement	US$1,000	Before Opening	As incurred	Third party
Additional Funds – 3 Months (note 9)	US$20,000~ US$80,000	As arranged	As incurred	Third Party
Total Cost (note 10)	**US$196,500.00 ~ US$352,900.00**			

Area Development

Type of Expenditure (note 1)	Amount (US$)	Method of Payment	When Due	To Whom Payment is to be Made
Franchise Fee (note 2)	US$200,000	As arranged	Due on the signing of the Area Developme nt Franchise Agreement	Us
Refundable Security Deposit	US$10,000	As arranged	Due on the signing of the Area Developme nt Franchise Agreement	Us
Minimum Royalty Fee	US$600	As arranged	Before the 10th of the	Us

			following month	
Brand Maintenance fee	US$1,200	As arranged	Due on the signing of the Area Developme nt Franchise Agreement	Us
Design and Floor Plan Fee	US$2,500	As arranged	When billed	Us
Related Personnel Cost for initial training (note 3)	US$4,000	As arrange	Before opening	Third party
Additional Training (note 3)	US$0	As arranged	As incurred	Us
Equipment	US$30,000~ US$50,000	As arranged	As incurred	Third party
Utensils	US$1,800~ US$2,500	As arranged	As incurred	Third party
Rent for a Tea Shop (note 4)	US$2,000 ~ US$10,000	Before opening, as arranged	As specified in lease	Third party
Rental for Warehouse (note 4)	US$0~ US$5,000	Before opening, as arranged	As specified in lease	Third party
Renovation (note 5)	US$50,000~ US$100,000	Before opening, as arranged	As incurred	Third party
Initial Inventory (note 6)	US$23,000~ US$25,000	Before opening	As incurred	Us
Licenses, Permits, Fees and Deposit	US$12,000	Before opening	Lump Sum	Third party
Point of Sale System (note 7)	US$1,500	Before opening	As incurred	Third party
Office Equipment & Supplies	US$1,500	As arranged	As incurred	Third party
Uniforms	US$300~ US$500	Before Opening	As incurred	Us
Insurance (note 8)	US$4,500~ US$15,000	Before opening, as arranged	As incurred	Third party
Advertisement	US$1,000	Before Opening	As incurred	Third party

Additional Funds – 3 Months (note 9)	US$20,000~ US$80,000	As arranged	As incurred	Third Party
Total Cost (note 10)	**US$365,900.00 ~ US$522,300.00**			

Notes:

1. Your initial investment for a new Tea Shop depends primarily upon: (1) the number of Tea Shops you invest; (2) size; (3) configuration; (4) location; (5) who develops the real estate for and/or constructs them; and/or (6) the amount and terms of financing. These estimated ranges are based on our experience and information provided by non-US franchisees of our affiliated entities. You should perform due diligence to investigate all potential costs before proceeding.
2. All of your initial investments are non-refundable except the Refundable Security Deposit. The Refundable Security Deposit will be returned to you at upon the expiration or termination of the Agreements if you have not materially breached the Agreement. Approximately 25% of the total Initial Franchise Fee will go to the training, 15% will go to the opening support, and 10% will go to the marketing support.
3. During the period of the Tea Shop opening under the Unit Franchise Agreement or the first Tea Shop opening under the Area Development Franchise Agreement, we will provide the initial training program for you and your employee at no cost. However, you shall be responsible for our technical personnel's or consultant's reasonable local accommodation. Please note that the initial training usually will take approximately fourteen (14) calendar days and you must provide at least two (2) and maximum five (5) of your personnel. You must also pay for all of you and your employee's reasonable accommodations and related travel expenses. If you request to have more than five (5) persons to attend the training, the costs will increase proportionately and we will discuss prior to the training. The amount of time required to undergo training is the reflection of the individual's ability to personally demonstrate the competencies. Any wages or salaries that you may pay trainees while they attend training are not included in these estimates. You must also maintain worker's compensation insurance coverage for trainees under your employment.
4. Depending on the structure of your lease, rental costs vary considerably according to the type of Tea Shop, real estate values in your area, financing rate (leasehold or ownership), location, and size of the site, regulatory requirements and other factors such as labor. Factors that typically affect your rental costs include your cost to negotiate your lease (or buy the property), fair market lease values and lease terms in your area, how the costs to renovate or develop the land, building and other site improvements are allocated between landlord and tenant and interest costs, among others. Lease terms are individually negotiated and may vary materially from one location or transaction to another. Commercial leases are typically "triple net" leases, requiring you to pay rent, all taxes, insurance, maintenance, repairs, common area maintenance costs, merchants' association fees and all other costs associated with the property. Rent will likely exceed the lease itself of leasing or financing the purchase of the location. You may also have to pay percentage rent. You may need to rent a warehouse depending on (1) the location of a Tea Shop, (2) your method in controlling your inventories or storing your equipment, or (3) how many

Tea Shop you wish to open. Factors similar to a Tea Shop rental cost also apply to warehouse rental cost.

5. Renovation costs include, among others, architectural, engineering and legal fees. These estimates do not include extraordinary costs due to extensive redesigning, permit fees, variances, environmental issues, legal obstacles, etc.
6. Before opening a Tea Shop, you must purchase an initial inventory consisting of products from suppliers approved by us. The assortment and number of these items will be based upon the size and configuration of your Tea Shop. The estimated cost for the opening inventory of these products varies from location to location depending on seasons and the storage capacity of a Tea Shop. Your initial inventory of merchandise and supplies needed for the operation of a Tea Shop will include raw ingredients and products for resale, containers and other paper, plastic or similar goods, maintenance and cleaning materials, office supplies and miscellaneous materials and supplies.
7. The price reflects equipment configurations and solution costs, site preparation and installation for one point of sale systems. We do not recommend more than one point of sale systems unless the size and configuration of a Tea Shop requires it.
8. You must provide commercial general liability coverage with minimum limits in the amount of $2,000,000 per occurrence in accordance with our published standards, (subject to change) and maintain other insurance in accordance with state law requirements. Some property owners may require higher levels of commercial general liability insurance or other insurance coverage under their leases. Initial premiums for commercial general liability are subject to change due to market forces beyond our control, but usually range between $1,000 and $5,000 per year. The cost of other coverage, including workers' compensation coverage and your discretionary purchases, varies widely, but may range from $3,500 to $10,000 per year. Your premium may be higher based upon your risk profile. You should discuss with your insurance carrier/agent whether or not these costs need to be paid in full before opening or whether they can be budgeted. Failure to maintain such insurance may result in loss of your franchise and additional financial obligations.
9. Additional Funds is an estimate of the funds needed to cover business (not personal) expenses during the first three (3) months of operating a Tea Shop. It includes estimated cost of sales and operating expenses incurred during the initial three (3) months (such as payroll, utilities, taxes and other expenses), although your actual cost may be higher. The Additional Funds exclude owner's salary/draw, non-Tea Shop management expenses, and the purchase of a Tea Shop's opening inventory. Cash flow from your operations may not be adequate to cover operating and other costs during the initial phase of business. Your cost will depend on factors such as how much you follow our recommended method and procedures, your management, marketing and general business skills, local economic conditions, the local market for the products and services, competition, local cost factors and the sales level achieved by you. We have relied on Mr. Ting-Wei Chang's 10-years of experience in the Tea Shop business to compile the estimate of Additional Funds. You should review these figures carefully before making any decision to purchase the franchise.
10. Except the Refundable Security Deposit, all payments stated in Item 7 that are payable to us are non-refundable, uniformily imposed, and collected by are and paid to us once incurred The Refundable Security Deposit will be returned to you at upon the expiration or termination of the Franchise Agreement if the Franchisee has not materially breached

the Franchise Agreement. We or our affiliate do not offer any direct or indirect financing for your initial investment.

We do not offer financing for any of the aforementioned costs. Tea Shops may vary from one another in many respects. Please also note that the data included in this Disclosure Document is based on the information available when this document was prepared. In the last few years, we have all experienced significant changes in the country's economy that has impacted everyone including our business. Among these changes are things like hikes in energy, labor and goods and services delivery cost. Other commodity costs have also fluctuated. We have also observed wide swings in the cost and availability of credit, labor, goods, and other materials. Although we are not able to predict how these economic factors will impact business costs in the coming year, these variations may materially affect the costs a new franchisee will actually experience in operating a franchised business.

We do not offer financing for any portion of your Estimated Initial Investment.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required purchases
We and our affiliates have spent considerable time, effort and money to develop the Wanpo System. We have acquired experience and skill in developing the Wanpo System, which includes producing, merchandizing and selling Wanpo tea, bubble tea, compatible food products, and other products and merchandise that we approve. The distinguishing characteristics of our Wanpo System include, among others, proprietary trademarks, distinctive exterior and interior design, decor, color and identification schemes and furnishings; special menu items; standards, specifications, requirements and procedures for operations, manufacturing, distribution and delivery; quality and safety of products and services offered; management systems/programs; training and assistance; and marketing, advertising and promotional programs. You must conform to our high standards of consistency, quality, safety, cleanliness, appearance and service. We anticipate that our standards will change over time. You are expected to adhere to these changes.

Required and approved suppliers
The reputation and goodwill of the Wanpo System is based upon, and can be maintained only by, the sale of high quality products. All products, including food supplies, utensils, cups, equipment and materials and services from your Tea Shop must meet our specifications, standards, and requirements. Your products must be sourced from suppliers that we approve (including manufacturers, distributors and other providers of goods and services).

We do not have exclusive suppliers of our products, cups, teas, or equipment at this point, and we will provide you with a list of suppliers that already meet our specifications. For your information, ourselves and our parent company, Aim Good, are approved suppliers, but we are not the only approved suppliers for the products and equipment that you will need to operate a Tea Shop. You can expect that the items purchased from approved suppliers in accordance with our specifications represent over 95% of the total purchases for establishing and operating the franchised business.

Suppliers are required to share shipping, distribution and all other information with us, and you will be required to cooperate.

Approval of alternative suppliers

You may also suggest suppliers, but please note that every supplier must demonstrate, based on our judgment, that it meets all specifications, standards, and requirements and has adequate capacity to supply our franchisees' quantity and delivery needs, which may mean, among other things, the ability to supply all franchisees in the Wanpo System. Before approving any supplier, we may take into consideration: a) consistency of products and/or name brands in (and between) our Wanpo Systems, b) economies of scale achieved by larger volumes, and c) certain other benefits that a particular supplier may offer, such as new product development capability. When approving a supplier, we take into consideration the Wanpo System as a whole, which means that certain franchisees may pay higher prices than they could receive from another supplier that is not approved. We reserve the right to withhold approval of a supplier at our discretion. A list of approved suppliers is available on request.

Our criteria for approving alternative suppliers are not available to you or your proposed suppliers. You and/or the supplier may request approval by submitting the request to us in writing. We may require that samples from the supplier be delivered to us or to a designated independent testing laboratory for testing prior to approval and use. All requests will be reviewed in accordance with our then-current procedures and we will take into consideration our available resources, which may affect the timing of our response. The supplier must meet our then-current specifications, standards and requirements, which may include signing a non-disclosure agreement and a guarantee of performance. We may change our specifications, standards and requirements at any time. There is no limit on our right to do so. If the supplier that you propose is initially approved or rejected, we will notify you and the supplier within thirty (30) to sixty (60) days depending on the nature of the products or services. We may withdraw our approval at any time if the supplier's performance does not meet our criteria, we change our specifications, standards or requirements or other reasons. You or the supplier will be required to reimburse us for all costs that we incur in the testing and approval process whether the supplier is approved or not.

We may limit the number of potential suppliers that we consider for approval and for some categories of products we will designate a third party or ourselves as an exclusive supplier. We may designate exclusive suppliers for some categories of products or services including purchasing, distribution, fountain and packaged beverage products, point of sale equipment, integrated point of sale back office, help desk support, and high speed internet access. Currently, you will have to purchase beverage syrup and tea proprietary teas from our designated suppliers. We and our affiliate are also approved suppliers, but we are not the only approved supplier of any product or service.

Revenue from franchisee purchases

We and our affiliates may derive revenue from required purchases but not from franchisee leases. Based on the most recent audited financial statements, our total revenues from required purchases were $0, and all the necessary purchases and leases were $0 or 0% of our total revenues. Our parent company, AIM GOOD TAIWAN, generated over $6 million in revenues globally in the recent financial year, and 55% was from necessary purchases.

Except as described above, neither we nor our affiliates currently derive revenue or other material consideration on account of our or their actual or prospective dealing with you and other Master Franchisees. However, we and our affiliates reserve the right to do so and to use all amounts that we and our affiliates receive without restriction (unless we agree otherwise with the supplier) for any purposes we and our affiliates deem appropriate.

Except for AIM GOOD TAIWAN, there are no approved suppliers in which our officers or directors own an interest.

In establishing the franchise business, we estimate that the proportion of required purchases and leases in relation to all of your purchases and leases will range from 55% to 65%. While operating the franchise business, we estimate that the proportion of required purchases and leases in relation to all of your purchases and leases will range from 45% to 55%.

Other Requirement
You must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations as provided in the Agreements. You must provide commercial general liability coverage with minimum limits in the amount of $2,000,000 per occurrence. Premium depends on the insurance carrier's charges, terms of payment, and your history. All insurance policies must name us as an additional insured party.

Before you use advertising materials, you must send us for review samples of all advertising, promotional, and marketing materials that we have not prepared or previously approved. If you do not receive written disapproval within thirty (30) days after we receive the materials, they are deemed to be rejected. You may not use any advertising, promotional, or marketing materials that we have not approved.

We must approve your proposed location. We must receive and review a proposed lease or purchase agreement in form for execution. We will use commercially reasonable effort to inform you of our approval or disapproval within a reasonable time after our receipt of the proposed lease or purchase agreement.

We require you to have a sufficient workstation (a computer, monitor, and printer) that can operate reasonable version of Microsoft words and excel, and is capable of accessing the Internet. Please refer to Item 11 for further details.

Cooperatives
There are currently no purchasing or distribution cooperatives. We may negotiate purchase arrangements with supplier (including price terms), for the benefit of the Wanpo System. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular supplier.

Negotiated prices
We do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of the franchisees.

Material benefits
We do not provide any material benefits to you if you buy from sources we approve.

ITEM 9: FRANCHISEE'S OBLIGATIONS

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.

FRANCHISEE'S OBLIGATIONS

Obligation	Article in Unit Franchise Agreement and Area Development Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Article 2	Items 1, 11 & 12
b. Pre-opening purchase/lease	Articles 2, 6, 10	Items 1, 6, 7, & 11
c. Site development and other pre-opening requirements	Articles 1, 2, 5, 6, 9, & 10	Items 1, 6, 7, & 11
d. Initial and ongoing training	Article 5	Items 5 & 11
e. Opening	Articles 1 & 6	Item 11
f. Fees	Articles 3, 4, 5 & 6	Items 5 & 6
g. Compliance with standards and policies/Operations Manual	Articles 1 & 6	Item 11
h. Trademarks and Proprietary information	Articles 1, 2, 7 & 8	Items 13 & 14
i. Restrictions products/services offered	Articles 1, 6 & 8	Item 16
j. Warranty and customer service requirement	Article 6	Item 11
k. Territorial development and sales quotas	Articles 1 & 2	Items 1 & 12
l. Ongoing product/service purchases	Articles 6 & 8	Item 8
m. Maintenance, appearance and remodeling requireents	Articles 1 & 6	Item 11
n. Insurance	Article 10	Items 7 & 8
o. Advertising	Articles 4	Items 6 & 1
p. Indemnification	Article 11	Item 6

q. Owner's participation/management/staffing	Articles 1 & 6	Items 11 & 15
r. Records and reports	Article 9	Item 6
s. Inspections and audits	Articles 2, 6 & 9	Items 6 & 11
t. Transfer	Articles 14	Item 17
u. Renewal	Article 13	Item 17
v. Post-termination obligations	Articles 7, 15, 16, & 17	Item 17
w. Non-competition covenants	Article 15	Item 17
x. Dispute resolution	Articles 18	Item 17
y. Other	Not applicable	None

ITEM 10: FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you or guarantees any of your notes, leases or obligations of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

Your ability to obtain financing will depend on your financial strength. If you are a corporation or partnership, or a limited liability company, a lender may need additional information and personal guarantees from the individual shareholders, partners, or members. We make no guarantees as to the availability of financing or the terms that may be offered.

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

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

Pre-Opening Obligations

1. We do not find location for you. You will need to find your own location(s) and negotiate your own real estate interest. If you are developing a new Tea Shop, we will approve the location if it meets our standards. It is important to know that our written approval of a location is not and should not be a guarantee of success at that location. Many factors, some known and some unknown, may impact the success of a particular location. We will provide you with a copy of our standard plans and specifications for a Tea Shop. If you fail to identify and propose the Site for our review and approval within 60 days from the execution of the Unit Franchise Agreement or Area Development Franchise Agreement, we reserve the right to terminate the Unit Franchise Agreement or Area Development Franchise Agreement immediately without further notice, and the Fees will be forfeited. You must conform the premises to all codes and ordinances and obtain all required permits. You must construct or remodel the location to our standards and subject to our written approval. (See Articles 1 & 2 of the Unit Franchise Agreement or Articles 1 & 2 of the Area Development Franchise Agreement).
2. We will provide you the standards for designing, constructing and equipping your Tea Shop. (See Articles 1, 2, 6 & 12 of the Unit Franchise Agreement or Articles 1, 2, 6 & 12 of the Area Development Franchise Agreement).

3. If you are opening a new Tea Shop, we will make an initial training program available to you and/or your designated representative. If you are purchasing an existing Tea Shop or need to have additional individuals attend training, you will pay an additional fee. You (and/or your designated representative) must successfully and timely complete the training program in order to become (or remain) a franchisee. (See Article 5 of the Unit Franchise Agreement or Articles 5 of the Area Development Franchise Agreement).
4. On-site pre-opening assistance at the Tea Shop. (See Articles 1, 5, & 6 of the Unit Franchise Agreement or Articles 1, 5 & 6 of the Area Development Franchise Agreement).
5. Advertising and promotional materials for use in the pre-opening promotion of the Tea Shop. (See Articles 1 & 4 of the Unit Franchise Agreement or Articles 1 & 4 of the Area Development Franchise Agreement).
6. We will provide you with a copy of our operations manual concerning techniques of managing and operating the Tea Shop. (See Articles 1, 6 & 12 of the Unit Franchise Agreement or Articles 1, 6 & 12 of the Area Development Franchise Agreement).
7. We will provide advice regarding authorized suppliers of equipment and materials used, and inventory offered for sale, in connection with the Tea Shop. (See Articles 1, 6, 8 & 12 of the Unit Franchise Agreement or Articles 1, 6, 8 & 12 of the Area Development Franchise Agreement).
8. We will make available for purchase by you, directly from us or through authorized suppliers, the equipment, products, materials and inventory required by you to establish and operate the Tea Shop in accordance with the Agreements. (See Article 8 of the Unit Franchise Agreement or Articles 8 of the Area Development Franchise Agreement).
9. We may offer special training courses such as service staff training, special promotion training, other pre-opening supports and continuous organizational supports (See Article 5 of the Unit Franchise Agreement or Articles 5 of the Area Development Franchise Agreement).

Post-Opening Obligations

The following are our obligations during the operation of the franchise business:

1. We will maintain a continuing advisory relationship with you, providing such assistance as we deem appropriate regarding the development and operation of a Tea Shops. (See Article 12 of the Unit Franchise Agreement or Articles 12 of the Area Development Franchise Agreement).
2. We will provide you with standards for the location, physical characteristics and operating systems of Tea Shops and other concepts; the products that are sold; the qualifications of suppliers; the qualifications, organization and training of franchisees and their personnel; the marketing of products and our brand; and all other things affecting the experience of consumers who patronize our Wanpo System. We make those standards available to you in our manuals and in other forms of communication, which we may update from time to time. (See Article 1, 6 & 12 of the Unit Franchise Agreement or Articles 1, 6 & 12 of the Area Development Franchise Agreement).
3. We shall continue our efforts to maintain high and uniform standards of quality, cleanliness, appearance and service at all Tea Shops. (See Article 12 of the Unit Franchise Agreement or Articles 12 of the Area Development Franchise Agreement).
4. We will review advertising and promotional materials that you propose to use locally. (See Article 4 of the Unit Franchise Agreement or Articles 4 of the Area Development Franchise Agreement).

5. We will update the operations manual, including new developments and improvements in equipment, food products, packaging and preparation. (See Article 12 of the Unit Franchise Agreement or Articles 12 of the Area Development Franchise Agreement).
6. On-site post opening assistance at the Tea Shop as we find appropriate. (See Article 5 of the Unit Franchise Agreement or Articles 5 of the Area Development Franchise Agreement).
7. Administration of the advertising fund, when and if it is created. (See Article 4 of the Unit Franchise Agreement or Articles 4 of the Area Development Franchise Agreement).

Please note that it usually takes three to six months between the earlier of the (a) signing of the Unit Franchise Agreement or Area Development Franchise Agreement or (b) first payment of Fees and the opening of a Tea Shop. The reason may be due to factors such as the availability of a site, financing, building permits, zoning and local ordinances. We typically do not experience shortages or delayed installation of equipment, fixtures, and signs.

Advertising Expenditures
You must spend reasonable amount on advertising for a Tea Shop in local advertising at your expense, and we estimate that an approximately 3% of the gross monthly sales of a Tea Shop would be reasonable. The amount is not paid to us, but rather is spent by you. You may use your own local advertising, including directory advertising, newspaper ads, flyers, brochures, coupons, direct mail pieces, specialty and novelty items and radio and television advertising. All advertising must comply with our brand guidelines and obtain our prior written approval of all your local advertising and promotional plans and all materials you would like to use and it will be at your expense.

We do not currently have a marketing fund, though we reserve the right to establish and administer such a marketing fund in the future on a regional or national basis and which will be contributed into only by our franchisees. We do not anticipate enacting the marketing fund during this calendar year, or until we determine that a sufficient number of Tea Shops are open and operating so that regional or national advertising provides a benefit to the Wanpo System. However, when we do establish the marketing fund, you will have to participate and will have to contribute to the marketing fund approximately 3% of the gross monthly sales of a Tea Shop to be paid in the same manner as the royalty payments, but we do not mandate a minimum local advertisement expense spending in your territory. When and if established, the amount to be paid to the marketing fund is certain percentage of gross monthly sales to be determined by both Parties in writing. Neither marketing fund nor any funds for advertising and marketing will be used for advertisement that is principally a solicitation for the sale of franchises for Wanpo System. We do not currently have a franchisee advertising council that advises us on advertising policies, though we reserve the right to establish such a council in the future. For the calendar year ending December 31, 2021, we did not collect or spend any money from the marketing fund. We currently do not have a local or regional advertising cooperative, and that we are not planning to set up one. If we do in the future, you are not required to participate in one.

We do not have an obligation to conduct advertising, such as advertise through our website, TV ads, radio ads, promotional events, and local flyers. If we choose to conduct advertisement on behalf of the Wanpo brand, the source of the advertising would be an in-house advertising department. Currently we do not have a minimum amount on advertising in the area or territory where you are located. In the event that we do have a marketing campaign, you will use commercially reasonable effort to cooperate fully with the marketing campaign. The media coverage may be local and state specific, not national.

Computer and Electronic Cash Register Systems and Monthly Report
We require you to have a sufficient workstation (a computer, monitor, and printer) that meets our minimum standards that can operate Microsoft words and excel, and is capable of accessing the Internet. This workstation may also be used for any other software that you use to manage your business. We do not have any obligation for maintenance, repairs, updates and upgrades of your computerized system.

We currently do not have independent access to the data generated by your computer system, but reserve the right to have such access in the future. The annual cost for the required maintenance updating, upgrading or support contracts for the computer systems is estimated to be US$161. We may require you to upgrade or update your computer hardware or software during the term of the Agreements. There are no contractual limitations on the frequency or cost of this obligation.

We require you to process and record all of your sales on a point of sale/back office system ("POS System") that is approved by us. The approved POS systems are (1) capable of recording sales data, (2) cannot modify or reset and they retain data in the event of power loss, (3) have the capability to operate minimum one cash register unit; and (4) must enable us to have administrative access. The cost of purchasing a POS System that fits our standard is estimated to be US$1,500 per Tea Shop, and there should not be any annual cost once the system is purchased.

Furthermore, you must provide us with a monthly report of your daily revenue, breakdown of the items sold (including information such as units and size of the items) per day, and such report must be provided prior to the 15th day of the following month.

Operations Manual
We will provide to you a copy of the Tea Shop operations management manual for each Tea Shop that you are franchised to operate. Each operations manual contains mandatory and suggested standards, operating procedures and rules that we prescribe for the Wanpo System. The operations manuals are confidential, copyrighted and are not to be reproduced or distributed to any unauthorized person. We can change the terms of, and add to, the operations manuals whenever we believe it is appropriate.

Site and Lease Approval
For new Tea Shops, we may select the site, or we may approve a site that you select and bring to us. Factors affecting our decision generally include location, occupancy costs, proximity to major retail activity, traffic volume and speed, density of nearby population (resident or daytime), competition and potential for encroachment on other Tea Shops of the same brand, site configuration, parking, accessibility, visibility, signage permitted by the landlord and local governmental authorities and other factors. Each site is considered individually, as no two sites are the same. Factors other than those listed above may be considered in evaluating a particular site. We do not guarantee that any site will be successful.

If you submit a site for our approval, you must provide us with all required information about the site. If you fail to identify and propose the Site for our review and approval within 60 days from the execution of the Unit Franchise Agreement or the Area Development Franchise Agreement, we reserve the right to terminate the Unit Franchise Agreement or the Area Development Franchise

Agreement immediately without further notice, and the Fees will be forfeited. You must provide a copy of the lease for our record. You may not begin any construction on a site until we have approved it. We do not typically pay "finders' fees" for sites. We also do not generally own or take a prime lease on real estate and then lease it to our franchisees. We are not required to provide you with assistance in negotiating the purchase or lease of the site, but we may do so in some cases.

All sites must be approved by us, and must be developed by you in accordance with our requirements. You cannot develop a site until we approve it. We will not reimburse you for any costs you incur with respect to any location that you submit to us for approval. While we try to promptly review nominated sites, there is no specified time period in which we must respond to your approval request. If ultimate the parties have failed to agree upon a site, then we will refund you the refundable Security Deposit.

If you will construct your Tea Shop, we will provide you standard, generic plans and specifications for the improvements, furnishings, fixtures and decor of the type of Tea Shop approved for your site. You must then, at your expense, have specific plans and specifications for construction or conversion of the space for a Tea Shop (and conforming to local ordinances and building codes, as well as obtaining the necessary permits) prepared by a licensed architect. Before you may begin construction, these plans and specifications must be approved by us in writing. We must approve any changes made during construction in writing. All construction will be at your sole expense.

You must ensure, prior to the opening of a Tea Shop, that a Tea Shop is accessible to and usable by persons with disabilities and meets the Standards for Accessible Design for new construction, as may be amended from time to time, or any more stringent accessibility standard under federal, state or local law.

Hiring and Training

We do not provide any assistance in hiring your employees. The initial mandatory training is held only once per franchisee and it includes two phases: an initial training at our main training facility in Taiwan (Republic of China) and then on-site pre-opening training at a Tea Shop site. We only offer initial training once, and it is scheduled in accordance with both parties' convenience and availability, as long as it is completed prior to the opening of a Tea Shop. We do not, however, have a requirement on how soon after signing or before opening the initial training must be completed.

Our training program includes but is not limited to the following: operations managements, human resources management, import operations, marketing plans, tea shop management, raw material inventory and controls, and basic maintenances. We may offer special training courses such as service staff training, special promotion training, other pre-opening supports and continuous organizational supports.

Your instructor shall have personally experienced our training program, includes but is not limited to the following: tea shop production and operation; HR management; product management and development; inventory and logistics systems; and other training programs as we see fit, and will include, but not be limited to, operations managements, logistic management, import operations, marketing plans, tea shop management, raw material inventory and controls, and basic maintenances. We also mandate our instructor to be familiar with the Wanpo system, our work culture, and our core value offerings.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Overall Operation and Manual Overview 1. Brand Origin and Business Philosophy 2. New Employee's Training and Working Regulations 3. Rules and Regulations & Employee's Dressing Code 4. The Introduction of the Ingredients/Raw Materials and Storage Methods 5. Introduction of Equipment and Utensils 6. Introduction of Standard Menu Items 7. Calculation of Sugar and Ice Level 8. Opening and Closing SOP 9. Bar and Kitchen Work Stations 10. Equipment's Installation, Settings, and Maintenance ※ Test: Introduction of Beverage, Preparation	24-48	12-24	Designated Training Facility
Operating Procedures Introduction 1. Introduction to Drink Preparation and Equipment Operation 2. Reviewing Sugar and Icing Calculation 3. Pure Tea Beverages and Milk Tea Beverages ※ Test: Pure Tea, Mil		12~16	Designated Training Facility
Drink Preparation: Fruit & Seasonal Drinks 1. Hands on Training 2. Focus on Fruits and Seasonal Drinks ※ Test: Fruits Drinks Set 1 and Set 2		12~16	Designated Training Facility
Opening, Closing, and Checkout Procedures	2-4	2~4	Designated Training Facility

We have a dedicated team of instructors for the Wanpo training program. The lead trainer, Mr. Barron Hsiao, has more than ten (10) years of experience in the food and beverage hospitality, assisting the launching and operation of more than 5 different bubble tea international brands. He has trained more than several hundreds of Taiwan and oversea tea shops worldwide.

The initial training to you or the person(s) designated by you to assume primary responsibility for the management of a Tea Shop(s) (the "Principal Operators") and at least two (2) additional employees of yours at a Tea Shop's location. The initial training program involves a minimum of fourteen (14) calendar days of instruction for a minimum of three (3) personnel to be trained together at the same time. We may lengthen, shorten or restructure the content of this program. The initial training will be conducted at our designated training facility. Please note that our designated training facility may not be located in the United States.

The initial training program will mainly go over the Operating Manual (please see the Operating Manual's Table of Content as provided below) and the topic as describe in the table above. The initial training program is mandatory for all franchisees. You or the Principal Operators, whichever is applicable, must complete the program to our satisfaction. The program must be completed prior to the opening of a Tea Shop. Scheduling of the program is based on your availability and the projected opening date for your Tea Shop. The initial training program is designed to cover all phases of the operation of a Tea Shop. We reserve the right to waive a portion of the initial training program or alter the training schedule if, in our sole discretion, you or the Principal Operator has sufficient prior experience or training. We will make the initial training program available to replacement or additional Principal Operators during the term of the Agreements.

If you do not successfully and timely complete all training and certification requirements, including all initial training requirements, you will not be granted a franchise (and we will have the right to terminate the Agreement if it was signed anticipating that you (or your team) would successfully and timely complete initial training). You are required to complete the initial training within a reasonable amount of time following the signing of the Agreements.

You and your Tea Shop managers must have literacy and fluency in the English language, in our good faith opinion, to satisfactorily complete our training program and to communicate with employees, customers, and suppliers.

During the period of a Tea Shop opening under the Agreements, we pay the cost of presenting the initial training program. However, you must pay for you and your employees' salaries, accommodations, travel expenses and other reasonable expenses, if any. If you demand to conduct the initial training program in a location other than your Tea Shop, then you may be charged certain additional costs such as your portion of the costs for the meeting room. You must also pay for later training programs that we may conduct or require.

Post-Opening Consultation

We may, at your request, provide additional technical and orientation personnel to assist you. You shall pay for the expenditures accrued by the said personnel. In the event we have advanced the cost of the said expenditures, you shall reimburse the same amount in cash. You will be required to make payments towards the following expenses within seven (7) calendar days upon receiving our written reimbursement request. The said personnel expenditures may include a US$300 per person per day for each field visit to pay for the technical and orientation personnel (US$350 per person per day if you request a specific trainer); round trip airfare for the business operation consultant(s); the local traveling expenses, three stars or above lodging, food and beverage, and other reasonable costs incur on behalf of you. Our training programs are regularly reviewed and updated.

During the term of the Agreement, in the event that we have determined, at our sole discretion, that you or your staff requires additional training, we reserve the right to mandate additional training. The Parties will discuss the training location that is most suitable for the situation, and it would either take place at our designated facility or at a Tea Shop. The cost of the additional training will be the same cost structure as described above.

Operating Manual's Table of Content

Below please find the table of content of our operating manual, which will be used as the instructional handbook used during our initial training. The total pages of the operating manual are 68.

ITEM 12: TERRITORY

Under the Unit Franchise Agreement, you acknowledge and agree that you do not have a right to develop and open more than one Tea Shop at the Site or any options or similar rights to acquire additional Tea Shops. This franchise is for one specific location approved by us. Your right to operate a Tea Shop and the Territorial Right pursuant to the Unit Franchise Agreement is limited solely to the location set forth in the Unit Franchise Agreement, and there is no minimum territory granted to you. Your territorial right does not dependent upon achieving a certain sales volume, market penetration or any other contingency, provided, however, that you fail to open the Tea Shop within one year of signing the Unit Franchise Agreement, we may terminate the Unit Franchise Agreement. In any event, you shall, within 60 days from the execution of this Agreement, identify and propose the Site for our review and approval, however, we reserve the right to terminate the Agreement if you fails to provide us with a Site within three months of the signing the Unit Franchise Agreement.

Under the terms of the Unit 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.

Under the terms of the Unit 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. You do not have the right to relocate your Tea Shop without our prior written consent. If you request relocation, you must obtain our prior written approval for the site and meet our then-current criteria for relocation, which we will grant based at our sole discretion. Our decision would be based on various factors, including but not limited to, the past performance of a Tea Shop under your management, your relationship with the existing staff and their ability to relocate with you, the relocation address, population, and competition. Similarly, if you request additional franchised outlet, we would consider similar factors as stated above.

Under the Area Development Franchise Agreement, you will receive the exclusive territory for a specific area as defined under the Area Development Franchise Agreement (the “Protected Territory”). You shall have a right and obligation to open a minimum Tea Shop quota as set forth in the Area Development Franchise Agreement. The rights granted to you hereunder do not include the right to sub-franchise others to sell franchises. Your right to operate Tea Shops and the exclusivity to the Protected Territory pursuant to the Are Development Agreement is limited solely to the Protective Territory. Your territorial right dependent upon achieving minimum Tea Shop quota as set forth in the Area Development Franchise Agreement. We reserve the right to audit your ability to fulfill the minimum Tea Shop obligation at any time. If you do not meet the minimum Tea Shop quota, we may cancel your exclusive right to market and sell the Tea Shop in the Protected Territory, we may sell additional franchises within your Protected Territory, we may begin operations of our own Tea Shop in the Protected Territory, or we may terminate this Agreement.

So long as you are in full compliance with the Area Development Franchise Agreements, we will not grant a franchise or establish a company-owned location to be located within 1 mile radius of your Protected Territory, provided, however, you acknowledge and agree that certain locations within and outside the Protected Territory are by their nature unique and separate in character from sites generally developed as a Wanpo Tea Shop. Such locations include, but are not limited to, shopping mall or plaza, business plaza, casino, or casino resort. As a result, you agree that the following locations are excluded from the Protected Territory and we have the right to develop or franchise such locations. Please note however, that we reserve the right to modify such Protected Territory in an event of population changes, of which we will discuss with you in good faith and reach a mutually agreeable consensus in writing.

Exceptions of the Protected Territory. The Protected Territory does not include any non-traditional locations, where we may grant a franchise or establish a company-owned location at a non-traditional location. Non-traditional locations include: shopping malls or shopping plaza (for this Agreement, a shopping mall or a shopping plaza means any retail shopping center containing two or more anchor retail department stores. Current examples of anchor retail department stores include Sears, Macy's, JCPenny, Nordstrom, Neiman Marcus, Bloomingdales, Saks Fifth Avenue, Dillard's, K-Mart, Kohls, Ross Stores, Best Buy, Wal-Mart, Home Depot, Office Depot, 99 Cents Only Stores, or other similarly large retail stores. We and you acknowledge that this list of examples is not complete, that some of these stores will go out of business, some will merge, and new stores will be established); business plaza, casino, or casino resort. All other locations are traditional locations.

Under both the Unit Franchise Agreement as well as the Area Development Franchise Agreement, you may establish a delivery service or use a third party delivery service as long as the products are produced at your Tea Shops. Except for delivery services, you do not have the right to distribute products through alternative channels of distribution. Specifically, you cannot solicit or accept orders from consumers outside of your Protected Territory, either through Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of your Protected Territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We reserve the right to use alternative channels of distribution for our products and trademarks and we may expand our sale of products on a local, regional, national or international basis. Unless stated otherwise herein, we have the absolute right to distribute (or license others to distribute) products identified by our trademarks (or by any other name or trademark) anywhere and in any form (e.g., in packaged form, dry goods, or otherwise), regardless of the proximity to your location, through any distribution methods or channels. These other sources of distribution could compete with you. Please note, however, that we current does not plan to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales within Tea Shop under a trademarks different the Wanpo Trademarks. Other than the royalty payment, we will not be compensated by you for soliciting or accepting orders from the Tea Shop.

We reserve the absolute right to distribute goods or services through the use of the Internet or other electronic communications, telephone, mail or similar methods, regardless of the destination of the products or services. We may not solicit or accept orders from consumers inside your Tea Shop, but we may direct orders to your Tea Shop through Internet, catalog sales, telemarketing, or other direct marketing, to make sales outside of a Tea Shop. Other than the Royalty Payment, we will not be compensated by you for soliciting or accepting orders from a Tea Shop.

We also retain the sole right to use our trademarks on the Internet, including in connection with web sites, domain names, directory addresses, metatags, as graphic images on web pages, linking, advertising, co-branding, and other arrangements. You may not maintain a Wanpo web site. If we do ever approve of a web site that you promote and develop, we have the right to condition our approval on the terms that we determine are necessary, such as requiring that your domain name and home page belong to us and be licensed to you for your use during the term of your agreement.

You do not have any rights to acquire additional franchises nor other options, such as rights of first refusal or similar rights to obtain additional franchises. In the event that we grant you the relocation or additional franchised outlet, you must be current with all your obligations to us and must sign our then-current Agreements.

We do not any affiliate that operates, franchises, or has plans to operate or franchise a business under a different trademark and that business sells or will sell goods or services similar to the Wanpo system in the United States.

As part of your review of a particular area or territory, we may (but are not required to) provide you with certain information such as (a) maps indicating existing Tea Shops and/or competitor locations, and may highlight potential areas of interest to us, and (b) demographic reports (including population and median household income) generated by third parties. It is important you validate the information we provide to you. We do not draw any inferences regarding Tea Shop performance from the map or demographic information we share with you, and you may not draw any inferences from them either. We also do not represent or guarantee that the existence of a certain level of demographics, maps or trade area characteristics will translate to a certain level of financial performance, and you may not draw any such inferences based upon any of the information we provide to you. The information is not provided for that purpose.

ITEM 13: TRADEMARKS

The Agreements give you the non-exclusive right to operate a Tea Shop under the “Wanpo™” and/or “ ™” trademark. By trademark, we mean trade names, trademarks, service marks, emblems, designs, merchandising devices and logos used to identify your Tea Shop (collectively “Wanpo Trademarks”). You may also be authorized to use other current or future trademarks to operate your Tea Shop.

You must follow our rules when you use our Wanpo Trademarks. You cannot use any of our company names or Wanpo Trademarks as part of a corporate, limited liability company, other entity name, e-mail address, electronic identifier, or Internet domain name. You cannot use any of our company names or Wanpo Trademarks with modifying words, designs or symbols, except for those we license to you. For example, your business name may not include any of our company names or Wanpo Trademarks or any variation of them (like *“Wanpo*,” “*Wan Po*,” or “Million Waves”) and you may not use your name in connection with our Wanpo Trademarks in advertising your Tea Shop (such as “John Smith’s Wanpo”). You may not use any of our company names or Wanpo Trademarks for the sale of any unauthorized product or service or in a manner we have not authorized in writing. These Wanpo Trademarks may only be used by you for the purpose of operating a Tea Shop and cannot be used for any purpose or in any manner not authorized by us. You may only use our Wanpo Trademarks on vehicles if you first obtain our written consent. We have a license from our parent, AIM GOOD, to use and to sublicense the use of the Wanpo Trademarks. All rights in and goodwill from the use of the Wanpo Trademarks accrue to us and our affiliates. No agreement limits our right to use or license the use of the Wanpo Trademarks related to the franchise.

The Wanpo Trademarks and service marks listed below are registered on the Principal Register in the United States Patent and Trademark Office on the date shown and all affidavits required to preserve and renew these Trademarks have been timely filed.

Federal Registration	No.	Filing/Registration Date
	88461597	Registration Date: July 27, 2021

There are no material determinations, proceedings or litigation which would affect your right to use the Wanpo Trademarks other than as may be stated in this Disclosure Document. We do not know of any superior prior rights or any infringing use that could materially affect your use of our Wanpo Trademarks other than as may be stated in this Disclosure Document. There are no effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, or any state trademark administrator or any court. There is no pending infringement, opposition or cancellation of the Wanpo Trademarks and no pending material litigation involving the principal Wanpo Trademarks other than as may be stated in this Disclosure Document.

You must notify us immediately when you learn about an infringement of or challenge to your use of our Wanpo Trademarks. We will take the action we think appropriate. We have the right to control all administrative proceedings or litigation involving our Wanpo Trademarks. In the event we undertake the defense or prosecution of any such proceeding or litigation, you agree to execute any and all documents and do such acts and things as may be necessary, in the opinion of our counsel, to carry out such defense or prosecution.

You must modify or discontinue the use of a Wanpo Trademark if we modify or discontinue it. If this happens, we are not required to reimburse you for your tangible costs of compliance (for example, changing signs). You must not directly or indirectly contest our right to our Wanpo Trademarks, trade secrets or business techniques that are part of our business.

We or our affiliates do not operate or plan to operate or franchise business under a different trademark that will sell goods or services that are the same as or similar to those you will sell.

ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents or registered copyrights are material to the franchise. We do, however, claim copyright interests in our training manuals, magazines, posters, toys, pamphlets, brochures, television advertisements and all other printed and pictorial materials that we produce, although these materials have not been registered with the Copyright Office of the Library of Congress. These materials are proprietary and confidential and are considered our property. They may be used by you only as long as you are a franchisee, and only as provided in your Agreements.

You do not receive the right to use an item covered by a patent or copyright unless it is expressly incorporated as proprietary information in our operations manuals. You may use these materials, in the manner we approve, in the operation of your Tea Shop during the term of your Agreements. However, you may not use these materials in any other way for your own benefit, or communicate or disclose them to, or use them for the benefit of, any other person or entity. These materials include any trade secrets, knowledge or know-how, confidential information, advertising, marketing, designs, plans, or methods of operation. This includes information about our sources of supply, and our recommendations on pricing. You may disclose this information to your employees, but only to the extent necessary to operate the business, and then only while your Agreements is in effect. You must also promptly tell us when you learn about unauthorized uses, or challenges to our uses, of this proprietary information. We are not obligated to take any action, but will respond to this information as we think appropriate. There are no infringing uses known to us, which could materially affect your use of the copyrights.

There is no effective decision, ruling or order of the United States Patent and Trademark Office, Copyright Office of the Library of Congress or any court, which could materially affect the ownership or use of any patents or copyrighted materials. Our right to use or license these patents and copyrighted items is not materially limited by any agreement or known infringing use.

There are no agreements currently in effect, which significantly limit our rights to use, or license the use of, such patents or copyrights in any manner material to you. We may use and incorporate into any Wanpo System, changes and improvements that you or your employees or contractors develop. We do not have an obligation to you or the developer of these changes or improvements in connection with such use.

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

You must devote your best efforts to operate and manage a Tea Shop(s) in accordance with the terms and conditions of the Agreements and to promoting and enhancing the sale of a Tea Shops. If you are an individual, you must perform all obligations and conditions as stated in the Agreements, or designate and retain at all times an individual, subject to our approval, to serve as the Principal Operator under the Agreements. If you are a corporation, partnership, or limited liability company you must name an individual as the Principal Operator to assume primary responsibility for the management of your Tea Shop(s), such individual is not required to have any designated amount of equity interest in a Tea Shop. We will request you to honor the confidentiality and the non-compete clauses as stated in the Agreements, and recommend that you have your manager or staff sign a confidentiality agreement and a non-compete agreement that offer the same protection as the confidentiality and the non-compete clause as stated in the Agreements.

You or your Principal Operator must complete our training program. Furthermore, you or your Principal Operator must supervise, train and evaluate the performance of your employees so that they provide competent and efficient service to customers.

You must devote continuous best efforts to the development, management and operation of your business. This means devoting sufficient time and resources to ensure full and complete compliance with your obligations to us, to your customers and to others. The business is a challenging one. It requires and responds to personal attention. It is most important that you personally be involved in all facets of the business. You must be able to organize the business so that our standards of service, quality, and cleanliness are maintained, and you must set standards for your employees to follow. The business requires a firm, personal commitment and, at least initially, may require many long hours. In addition to production skills, you must also understand and be able to perform all of the sales, operations, management and maintenance functions required to ensure successful operation of the business.

Because this is primarily a cash business, you must have effective, vigilant cash management procedures to avoid employee theft. You can minimize these demands on you personally by attracting, motivating and retaining capable development, supervisory, production, transportation and sales personnel. We may provide you with certain suggested basic procedures and guidelines to use in recruiting, training and motivating your personnel. However, recruiting, training and motivating employees are your responsibility.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to confine your business to the operation of a Tea Shop. You may not conduct any other business or activity at a Tea Shop without our prior written approval. You may only offer or sell products approved by us and you must offer for sale the full menu prescribed by us. We may add, delete or change approved products that you are required to offer from time to time. There are no limits on our right to do so. In offering products for sale, you may only use products, materials, ingredients, supplies, paper goods, uniforms, fixtures, furnishings, signs, equipment approved by us and you must follow methods of product preparation and delivery that meet our requirements.

We impose no customer restrictions on the sale of products at your Tea Shop, however, your franchise is limited to certain locations and all sales must be made from such locations. You are not permitted to sell or distribute goods or services through the use of the Internet or other electronic communications.

ITEM 17: RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Unit Franchise Agreement / the Area Development Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

Provision	Articles in the Unit Franchise Agreement and the Area Development Franchise Agreement	Summary
a. Length of the franchise term	§13	The term is 5 years (Note 1).
b. Renewal or extension of the term	§13	Conditional Renewal (Note 2).
c. Requirements for franchisee to renew or extend	§13	This Agreement will not automatically renew upon the expiration or early termination of the Term. You have an option to renew the Franchise upon the expiration of the Term for additional term of three (3) years (the “Renewal Term”) if, and only if, each and every one of conditions listed in the Agreement have been satisfied. The renewal may require you to sign agreement with materially different terms and conditions from the original franchise agreement (Note 1).
d. Termination by franchisee	Not Applicable	The franchisee may terminate the Agreement upon any grounds available by law.
e. Termination by franchisor without cause	Not Applicable	We do not have the right to unilaterally terminate the Agreements.
f. Termination by franchisor with “cause”	§17	We may terminate the Agreements by providing a prior 180-days written notification if you commit a default that cannot be cured or fail to timely cure a default that may be cured under the Agreements or any agreements with any of our affiliates; have experienced a change of control; have challenged the validity of our Trademarks, trade names, service logos, graphic configurations, emblems, apparels and designs of the Wanpo System; are convicted of or plead guilty or no contest to a felony or crime of moral turpitude; have committed a fraud upon any of our affiliate(s) or us; your sub-franchisee(s) is cited for any health code violations not corrected within the time required by the issuing agency; or one of your sub-franchisee’s Wanpo Tea Shop is closed down by any governmental authority or possession is retaken by the landlord; you or your sub-franchisee(s) sublicenses or attempts to sublicense the Trademarks or the Wanpo System in violation of this Agreement; or you or your sub-

		franchisee(s) violates or fails to comply with any law, rule, regulation, ordinance or order relating to the operation of a Wanpo Tea Shop or fails to obtain and continue any license, permit or bond necessary, in our opinion, for operation of a Wanpo Tea Shop. The termination of the area development franchise agreement do not allow us to also terminate an Area Developer's single unit Franchise Agreement.
g. "Cause" defined – curable defaults	§17	Except where your state's law may provide otherwise, except as stated in section h of this table, all defaults must be cured within 60 days after notice (Note 3).
h. "Cause" defined – non-curable defaults	§17	The following defaults cannot be cured by you: you have experienced a change of control (a change of control does not occur if you retain more than 50% of the shares after the transfer, or if all of the interests transfer to your spouse(s) or children or to your beneficiaries or heirs in the event that you die or become mentally incapacitated); you challenge the validity of the Trademarks, trade names, service logos, graphic configurations, emblems, apparels and designs of the Wanpo System; if you are convicted of or plead guilty or no contest to a felony or crime of moral turpitude; or if you commit a fraud upon any of our affiliate(s) or us; your sub-franchisee(s) is cited for any health code violations not corrected within the time required by the issuing agency; or one of your sub-franchisee's Wanpo Tea Shop is closed down by any governmental authority or possession is retaken by the landlord; you or your sub-franchisee(s) sublicenses or attempts to sublicense the Trademarks or the Wanpo System in violation of this Agreement; or you or your sub-franchisee(s) violates or fails to comply with any law, rule, regulation, ordinance or order relating to the operation of a Wanpo Tea Shop or fails to obtain and continue any license, permit or bond necessary, in our opinion, for operation of a Wanpo Tea Shop.
i. Franchisee's obligations on termination/nonrenewal	§17	Upon expiration or termination of the Agreements, you must immediately pay us all unpaid Initial Franchise Fee or any amount due, without reduction or offset, even if you did not open any or all of a Tea Shops; all rights granted pursuant to the Agreements shall cease

		immediately without further notice; you shall co-operate with us in the cancellation of any licenses or registrations registered with you or under your name, if any, and shall execute such documents and do all acts and things as may be necessary to effect such cancellation; you shall return to us promptly, at your sole expense, all records and copies of promotional materials or objects in its possession relating to the Wanpo System, and of any information of a confidential nature communicated to you by us or our affiliates pursuant to, in connection with, or arising from this Agreement.
j. Assignment of contract by franchisor	§14	We may assign our rights to any person or entity that agrees in writing to assume all of our obligations without your approval. Upon transfer, we will have no further obligation under this agreement, except for any accrued liabilities.
k. "Transfer" by franchisee – definition	§14	A "transfer" by you is any sale, assignment, transfer, conveyance, gift, pledge, mortgage or other encumbrance of any interest in either the Unit Franchise Agreement or the Area Development Franchise Agreement, the franchise itself, or any proprietorship, partnership, limited liability company ("LLC") or corporation which owns any interest in the franchise, to any person, persons, partnership, association, LLC or corporation, whether by contract, operation of law or otherwise.
l. Franchisor approval of transfer by franchisee	§14	You may transfer a direct or indirect interest in this Agreement with our prior written consent, which will not be unreasonably withheld.
m. Conditions for franchisor approval of transfer	§14	The Site for the Tea Shop and the associated rights and obligations are a package and are not themselves divisible in any way.
n. Franchisor's right of first refusal to acquire franchisee's business	§14	We have right of first refusal.
o. Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable.
p. Death or disability of franchisee	§14	In the event a person holding a direct or indirect interest dies, that person's legal representative must, within six (6) months of the event, apply in writing to transfer that interest with notice to all

		other persons having a direct or indirect interest in this Agreement.
q. Non-competition covenants during the term of the franchise	§15	You agree that during the term of this Agreement, or during any Renewal Term, you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any business where 50% or more of its sales include the sale of gourmet teas, tea-based beverages, bubble tea, other than one authorized by this Agreement or any other agreement between us and you (Note 4).
r. Non-competition covenants after the franchise is terminated or expires	§15	You agree that you will not, for a period of 2 year after the expiration or termination of this Agreement, or after the expiration or termination of any Renewal Term, regardless of the cause of termination, or within 1 year of the sale of a Tea Shop or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any business where 50% or more of its sales include the sale of gourmet teas, tea-based beverages, bubble tea within a 5-mile radius of a Tea Shop or the Territory. The Agreements contain a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
s. Modification of the Unit / Area Development Franchise Agreement	§20	The Agreements may only be modified by the parties in writing.
t. Integration/merger clause	§19	Only the terms of the Agreements and other related agreements are binding (subject to applicable state law). Nothing in these agreements, however, is intended to disclaim the representations we made in this Franchise Disclosure Document that we furnished to you. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	§18	Not Applicable.
v. Choice of forum	§18	Litigation must be in California.
w. Choice of law	§18	California law applies (Note 5).

Note 1. The Agreements shall be terminated automatically without further notice at the end of Term, unless renewed in accordance with the terms of the Agreement.

Note 2. The law in some states require a franchisor to renew a franchise agreement unless it has good cuase not to renew.If you and your Agreements qualify for renewal under these laws, we will offer renewal to you as required by law.

Note 3. Cure periods may be extended or provide if required by law.

Note 4. The Agreements contain a covenant not to complete which extends beyond the termination of the franchise. This provision may not be enforceable under Califronia law.

Note 5. Applicable law might require additional disclosures related to the information contained in this Item 17. These additional disclosures, if any, appear in Exhibit D.

ITEM 18: PUBLIC FIGURES

We do not use any public figure to promote our franchise. Although the Agreements does not prohibit you from using a public figure in promotion or advertising, we must approve any public figure, media, time and text that you propose to use.

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 Franchise Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Ryan Liu ~~Blair Lin~~, Overseas Sales Representative, at No. 38, Sec. 2, Huanzhong Rd., Xitun Dist., Taichung City, 407 Taiwan (R.O.C.), 886-4-2426-2239, ryan@aimgood.com.tw ~~blair@aimgood.com.tw~~., the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Table 1

Systemwide Outlet Summary for Years 2021 to 2023 ~~2020 to 2022~~

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	1	2	+1
	2022	2	2	0
	2023	2	4	+2
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	1	2	+1
	2022	2	2	0
	2023	2	4	+2

~~Outlet Type~~	~~Year~~	~~Outlets at the Start of the Year~~	~~Outlets at the End of the Year~~	~~Net Change~~

~~Franchised~~	~~2020~~	~~1~~	~~1~~	~~0~~
	~~2021~~	~~1~~	~~2~~	~~+1~~
	~~2022~~	~~2~~	~~2~~	~~0~~
~~Company-Owned~~	~~2020~~	~~0~~	~~0~~	~~0~~
	~~2021~~	~~0~~	~~0~~	~~0~~
	~~2022~~	~~0~~	~~0~~	~~0~~
~~Total Outlets~~	~~2020~~	~~1~~	~~1~~	~~0~~
	~~2021~~	~~1~~	~~2~~	~~+1~~
	~~2022~~	~~2~~	~~2~~	~~0~~

The two outlets disclosed under Item 20 were operated by Wanpo Master Franchisees.

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
for Years 2021 to 2023 ~~2020 to 2022~~

State	Year	Number of Transfers
Totals	2021	0
	2022	0
	2023	0

~~State~~	~~Year~~	~~Number of Transfers~~
~~Totals~~	~~2020~~	~~0~~
	~~2021~~	~~0~~
	~~2022~~	~~0~~

Table 3
Status of Franchised Outlets for Years 2021 to 2023 ~~2020 to 2022~~

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
CA	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2021	0	0	0	0	0	0	0

GU	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
NY	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
TX	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Total	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	2	2	0	0	0	0	4

~~State~~	~~Year~~	~~Outlets at Start of Year~~	~~Outlets Opened~~	~~Terminations~~	~~Non-Renewals~~	~~Reacquired by Franchisor~~	~~Ceased Operations - Other Reasons~~	~~Outlets at End of the Year~~
~~CA~~	~~2020~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2021~~	~~0~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	~~2022~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
~~NY~~	~~2020~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	~~2021~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	~~2022~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
~~Total~~	~~2020~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~1~~
	~~2021~~	~~1~~	~~1~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~
	~~2022~~	~~2~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~2~~

Table 4
Status of Company-Owned Outlets For years 2021 to 2023 ~~2020 to 2022~~

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

~~State~~	~~Year~~	~~Outlets at Start of Year~~	~~Outlets Opened~~	~~Outlets Reacquired from Franchisees~~	~~Outlets Closed~~	~~Outlets Sold to Franchisees~~	~~Outlets at End of the Year~~
~~Totals~~	~~2020~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2021~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~
	~~2022~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~	~~0~~

Table 5
Projected New Franchised Outlets as of December 31, 2023 ~~2022~~

State	Franchise Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company- Owned Outlets in the Next Fiscal Year
Totals	0	0	0

~~State~~	~~Franchise Agreements Signed but Outlets Not Opened~~	~~Projected New Franchised Outlets in the Next Fiscal Year~~	~~Projected New Company- Owned Outlets in the Next Fiscal Year~~
~~TX~~	~~0~~	~~1~~	~~0~~
~~Totals~~	~~0~~	~~1~~	~~0~~

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the Wanpo System.

Please find contact information of the former and current franchisees in Exhibit F ~~H~~.

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict their ability from discussing with you their experience as a franchisee in the Wanpo System.

There is no trademark specific franchise organization associated with the Wanpo System.

ITEM 21: FINANCIAL STATEMENT

The franchisor's audited financial statements as of December 31, 2023, 2022, and 2021, ~~and 2020~~, are attached as Exhibit A. Our fiscal year end date is December 31.

ITEM 22: CONTRACT

The Following Agreements are exhibits to this Disclosure Document:

Exhibit B	Unit Franchise Agreement
Exhibit C	Area Development Franchise Agreement
Exhibit D	Directory of Administrative Agencies and Agent for Service of Process
Exhibit E	The State of California Addendum
~~Exhibit F~~	~~Acknowledgment Addendum to Unit Franchise Agreement~~
~~Exhibit G~~	~~Acknowledgment Addendum to Area Development Franchise Agreement~~

ITEM 23: RECEIPT

Exhibit I contains detachable documents acknowledging your receipt of the Disclosure Document.

Exhibit A

Financial Statements

AIM GOOD USA CORPORATION
Independent Auditor's Report
and Financial Statements
December 31, 2020

AIM GOOD USA CORPORATION
Independent Auditor's Report
and Financial Statements
December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Stockholder
AIM GOOD USA CORPORATION
San Francisco, California

We have audited the accompanying financial statements of **AIM GOOD USA CORPORATION**, which comprise the balance sheet as of December 31, 2020, and the related statements of operations, changes in stockholder's equity, and cash flows for the period from May 19, 2020 (Inception) to December 31, 2020, and the related notes to the financial statements.

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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **AIM GOOD USA CORPORATION** as of December 31, 2020, and the results of its operations and its cash flows for the period from May 19, 2020 (Inception) to December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Chen & Fan

Chen & Fan
Accountancy Corporation

San Jose, California

April 13, 2021

AIM GOOD USA CORPORATION
Balance Sheet
December 31, 2020

Asset

Current Asset		
Cash	$	200,010
Total Current Asset		200,010
Total Asset	$	200,010

Liabilities and Stockholder's Equity

Current Liabilities		
Accrued expenses	$	17,400
Other payable		6,000
Temporary receipt		10
Total Current Liabilities		23,410
Stockholder's Equity		
Common stock, no par value:		
Authorized, 1,000 shares;		
Issued and outstanding, 200 shares		200,000
Accumulated deficits		(23,400)
Total Stockholder's Equity		176,600
Total Liabilities and Stockholder's Equity	$	200,010

The accompanying notes are an integral part of these financial statements.

AIM GOOD USA CORPORATION

Statement of Operations

For the Period from May 19, 2020 (Inception) to December 31, 2020

Net Sales	$	-
Operating Expenses		23,400
Loss from Operations		(23,400)
Loss before Income Taxes		(23,400)
Income Tax Expense		-
Net Loss	$	(23,400)

The accompanying notes are an integral part of these financial statements.

AIM GOOD USA CORPORATION

Statement of Changes in Stockholder's Equity

For the Period from May 19, 2020 (Inception) to December 31, 2020

	Common Stock		Accumulated	Total Stockholder's
	Shares	Amount	Deficits	Equity
Balance as of May 19, 2020	-	$ -	$ -	$ -
Issuance of common stock	200	200,000	-	200,000
Net loss	-	-	(23,400)	(23,400)
Balance as of December 31, 2020	200	$ 200,000	$ (23,400)	$ 176,600

The accompanying notes are an integral part of these financial statements.

AIM GOOD USA CORPORATION

Statement of Cash Flows

For the Period from May 19, 2020 (Inception) to December 31, 2020

Cash Flows from Operating Activities:		
Net loss	$	(23,400)
Adjustments to reconcile net loss to net cash provided in operating activities:		
Changes in operating assets and liabilities:		
Accrued expenses		17,400
Other payable		6,000
Temporary receipt		10
Net Cash Provided by Operating Activities		10
Cash Flows from Financing Activity:		
Issuance of common stock		200,000
Net Cash Provided by Financing Activity		200,000
Net Increase in Cash		200,010
Cash, Beginning of Period		-
Cash, End of Period	$	200,010

The accompanying notes are an integral part of these financial statements.

AIM GOOD USA CORPORATION
Notes to Financial Statements
December 31, 2020

Note 1 - The Organization and Nature of Business

AIM GOOD USA CORPORATION (the Company) was incorporated in the State of Delaware on May 19, 2020. The Company is wholly owned by AIM GOOD INTERNATIONAL CO. LTD. (the Parent), a company incorporated in Taiwan.

The Company is primarily engaged in the business of selling the beverage franchises in North America.

Note 2 - Summary of Significant Accounting Policies

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash in bank. As of December 31, 2020, all cash in bank was fully insured by the Federal Deposit Insurance Corporation (FDIC).

Fair Value of Financial Instruments

The Company utilizes the three-level valuation hierarchy for the recognition and disclosure of fair value measurements. The categorization of assets and liabilities within this hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of the hierarchy consist of the following:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 – Inputs to the valuation methodology are quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active or inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.

Level 3 – Inputs to the valuation methodology are unobservable inputs based upon management's best estimate of inputs market participants could use in pricing the asset or liability at the measurement date, including assumptions.

Note 2 - <u>Summary of Significant Accounting Policies</u> – Continued

<u>Fair Value of Financial Instruments</u> – Continued

As of December 31, 2020, the carrying values of cash, accrued expenses and other payable approximated their fair values due to the short-term nature of these financial instruments. There were no outstanding derivative financial instruments as of December 31, 2020.

<u>Income Taxes</u>

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the years in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities. Adjustments to prior period's income tax liabilities are added to or deducted from the current period's tax provision.

The Company follows FASB guidance on uncertain tax positions and has analyzed its filing positions in all the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in those jurisdictions. The Company files income tax returns in the US federal and state jurisdictions where it conducts business. The Company believes that its income tax filing positions and deductions will be sustained on audit and does not anticipate any adjustments that will result in a material adverse effect on its financial position, results of operations, or cash flows. Therefore, no reserves for uncertain tax positions have been recorded. The Company does not expect its unrecognized tax benefits to change significantly over the next twelve months.

The Company's policy for recording interest and penalties associated with any uncertain tax positions is to record such items as a component of income before taxes. Penalties and interest paid or received, if any, are recorded as part of other operating expenses in the statement of operations.

Note 2 - Summary of Significant Accounting Policies – Continued

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 may differ from those estimates.

Subsequent Events

The Company has evaluated events and transactions after December 31, 2020 to April 13, 2021, the date on which these financial statements were available to be issued.

Note 3 - Income Taxes

The tax effects of temporary differences which give rise to significant portions of deferred tax asset and the related valuation allowance as of December 31, 2020 were approximately as follows:

Deferred tax asset:	
Net operating loss carryforwards (NOLs)	$ 7,000
	7,000
Valuation allowance	(7,000)
Net deferred tax assets	$ -

As of December 31, 2020, the Company's Federal and State NOLs were approximately $23,000, expiring indefinitely and 2040, respectively.

Realization of deferred tax assets is dependent on future earnings, if any, the timing and amount of which are uncertain. Accordingly, a 100% valuation allowance has been established to reflect these uncertainties.

Note 4 - Capital Stock

The Company is authorized to issue 1,000 shares of common stock with no par value. As of December 31, 2020, the total number of outstanding common shares was 200.

AIM GOOD USA CORPORATION
Independent Auditor’s Report
and Financial Statements
December 31, 2021

AIM GOOD USA CORPORATION
Independent Auditor's Report
and Financial Statements
December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of Directors and Stockholder
AIM GOOD USA CORPORATION
San Francisco, California

Opinion

We have audited the accompanying financial statements of **AIM GOOD USA CORPORATION**, which comprise the balance sheet as of December 31, 2021, and the related statements of operations and accumulated deficits, and cash flows for the year 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 **AIM GOOD USA CORPORATION** as of December 31, 2021, 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 of Opinion

We conducted our audit 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 **AIM GOOD USA CORPORATION** 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **AIM GOOD USA CORPORATION**'s ability to continue as a going concern within one 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 judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risk 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 **AIM GOOD USA CORPORATION**'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about **AIM GOOD USA CORPORATION**'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.

Chen & Fan

Chen & Fan
Accountancy Corporation

San Jose, California

April 14, 2022

AIM GOOD USA CORPORATION
Balance Sheet
December 31, 2021

Assets

Current Assets		
Cash	$	199,185
Total Current Assets		199,185
Total Assets	$	199,185

Liabilities and Stockholder's Equity

Current Liabilities		
Other payable to related party	$	21,325
Accrued expenses		17,525
Temporary receipt		10
Total Current Liabilities		38,860
Stockholder's Equity		
Common stock, no par value:		
Authorized, 1,000 shares;		
Issued and outstanding, 200 shares		200,000
Accumulated deficits		(39,675)
Total Stockholder's Equity		160,325
Total Liabilities and Stockholder's Equity	$	199,185

The accompanying notes are an integral part
of these financial statements.

AIM GOOD USA CORPORATION
Statement of Operations and Accumulated Deficits
For the Year Ended December 31, 2021

Net Sales	$ -
Operating Expenses	15,450
Loss from Operations	(15,450)
Loss before Income Taxes	(15,450)
Income Tax Expense	825
Net Loss	(16,275)
Accumulated Deficits, Beginning of year	(23,400)
Accumulated Deficits, End of year	$ (39,675)

The accompanying notes are an integral part
of these financial statements.

AIM GOOD USA CORPORATION
Statement of Cash Flows
For the Year Ended December 31, 2021

Cash Flows from Operating Activities:		
Net loss	$	(16,275)
Adjustments to reconcile net loss to net cash used in operating activities:		
Accrued expenses		125
Other payable		
- related party		21,325
- others		(6,000)
Net Cash Used in Operating Activities		(825)
Net Decrease in Cash		(825)
Cash, Beginning of Year		200,010
Cash, End of Year	$	199,185
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the year for income taxes	$	825

The accompanying notes are an integral part of these financial statements.

Note 1 - The Organization and Nature of Business

AIM GOOD USA CORPORATION (the Company) was incorporated in the State of Delaware on May 19, 2020. The Company is wholly owned by AIM GOOD INTERNATIONAL CO. LTD. (the “Parent”, or “Aim Good Int’l”), a company incorporated in Taiwan.

The Company is primarily engaged in the business of selling the beverage franchises in North America.

Note 2 - Summary of Significant Accounting Policies

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash in bank. As of December 31, 2021, all cash in bank was fully insured by the Federal Deposit Insurance Corporation (FDIC).

Fair Value of Financial Instruments

The Company utilizes the three-level valuation hierarchy for the recognition and disclosure of fair value measurements. The categorization of assets and liabilities within this hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of the hierarchy consist of the following:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

Level 2 – Inputs to the valuation methodology are quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active or inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.

Level 3 – Inputs to the valuation methodology are unobservable inputs based upon management’s best estimate of inputs market participants could use in pricing the asset or liability at the measurement date, including assumptions.

Note 2 - **Summary of Significant Accounting Policies – Continued**

Fair Value of Financial Instruments – Continued

As of December 31, 2021, the carrying values of cash, other payable and accrued expenses approximated their fair values due to the short-term nature of these financial instruments. There were no outstanding derivative financial instruments as of December 31, 2021.

Revenue Recognition

The Company recognizes revenues in accordance with ASC No. 606, "Revenue from Contracts with Customers". As such, the Company identifies a contract with a customer, identifies the performance obligations in the contract, determines the transaction price, allocates the transaction price to each performance obligation in the contract and recognizes revenues when (or as) the Company satisfies a performance obligation.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the years in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities. Adjustments to prior period's income tax liabilities are added to or deducted from the current period's tax provision.

Note 2 - <u>Summary of Significant Accounting Policies</u> – Continued

<u>Income Taxes</u>

The Company follows FASB guidance on uncertain tax positions and has analyzed its filing positions in all the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in those jurisdictions. The Company files income tax returns in the US federal and state jurisdictions where it conducts business. The Company believes that its income tax filing positions and deductions will be sustained on audit and does not anticipate any adjustments that will result in a material adverse effect on its financial position, results of operations, or cash flows. Therefore, no reserves for uncertain tax positions have been recorded. The Company does not expect its unrecognized tax benefits to change significantly over the next twelve months.

The Company's policy for recording interest and penalties associated with any uncertain tax positions is to record such items as a component of income before taxes. Penalties and interest paid or received, if any, are recorded as part of other operating expenses in the statement of operations.

<u>Use of Estimates</u>

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 may differ from those estimates.

<u>Subsequent Events</u>

The Company has evaluated events and transactions after December 31, 2021 to April 14, 2022, the date on which these financial statements were available to be issued.

Note 3 - **Income Taxes**

For the year ended December 31, 2021, income tax expense consisted of the following:

Current:		
Federal	$	-
State		825
Total income tax expense	$	825

The tax effects of temporary differences which give rise to significant portions of deferred tax asset and the related valuation allowance as of December 31, 2021 were approximately as follows:

Net operating loss carryforwards (NOLs)	$	11,000
Less: valuation allowance		(11,000)
Net deferred tax assets	$	-

As of December 31, 2021, the Company’s Federal and State NOLs were approximately $40,000, expiring indefinitely and in 2041, respectively.

Realization of deferred tax assets is dependent on future earnings, if any, the timing and amount of which are uncertain. Accordingly, a 100% valuation allowance has been established to reflect these uncertainties.

Note 4 - **Related Party Transactions**

A. Name of related party and relationship:

Name of Related Party	Relationship
Aim Good International Co., LTD (Aim Good Int'l)	Parent company

B. Significant related party transactions:

As of December 31, 2021

Other payable to Aim Good Int'l	$ 21,325

Exhibit B

Unit Franchise Agreement

This Non-Exclusive Franchise Agreement (this "Agreement") is made and entered into this date of _________ ____, 20__ (the "Effective Date") by and between **AIM GOOD USA Corporation**, a corporation organized and existing under the laws of Delaware with a principal place of business at 919 North Market Street, Suite 950, Wilmington, DE 19801 (we, our, "Wanpo" or the "Franchisor") and _________________, a company organized and existing under the laws of _________ with a principal place of business at ____ (you, your, or the "Franchisee").

Recital

Whereas, We are the licensee of the trademarks "Wanpo™", " ™", "萬波™" or other marks and logos (the "Trademarks"), and are authorized to sub-license the Trademarks to third parties;

Whereas, We possess advanced technology, management system, continuous and innovative product development, and knowledge in relation to a unique and distinctive system relating to the development and operation of "Wanpo" Tea Shop establishment with unique product lines, distinctive fixtures, equipment, interior and exterior accessories, color scheme, inventory and accounting system, of which may be changed, improved, and further developed by us or our affiliates from time to time (the "Wanpo System");

Whereas, We are in the business of granting certain limited rights for third parties to develop, manage and maintain the Wanpo System; and look for entities capable of developing, launching, and operating tea shop bearing the Trademarks using and under the Wanpo System; offering unique tea-based drinks, compatible food products, accessories and gifts bearing the Trademarks, trade names, service logos, graphic configurations, emblems, apparels and designs of the Wanpo System (the "Tea Shop");

Whereas, You represent that you have the capacity to develop, manage and operate the Tea Shop on the Site (as defined below), and wish to develop, manage, and operate the Tea Shop on the Site; and We are willing to grant to you the franchise right to develop, manage, and operate the Tea Shop on the Site, and you are willing to accept the grant under the terms and conditions as stated herein;

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

Article 1. **<u>Grant of Development Rights</u>**

1. As franchisor, we have the right to establish "Standards" for various aspects of the Wanpo System that include the location, physical characteristics and quality of operating systems of Tea Shops and other concepts; the products that are sold; the qualifications of suppliers; the

qualifications, organization and training of franchisees and their personnel; the timely marketing of products and our brand, including execution of marketing windows; and all other things affecting the experience of consumers who patronize the Wanpo System. We make those Standards available to you in our operation manuals, trainings, on-site assistance, and in other forms of communication, which we may update from time to time. Complete uniformity may not be possible or practical throughout the Wanpo System, and we may from time to time vary Standards as we deem necessary or desirable for the Wanpo System.

2. As franchisee, you have the right and responsibility to exercise day-to-day control your Tea Shop to meet those Standards, and the heart of the Wanpo System and this franchise relationship is your commitment to that responsibility. Any required Standards exist to protect our interests in the Wanpo System and the Trademarks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. Furthermore, you acknowledge that your commitment is important to us, to you, and to other franchisees in order to promote the goodwill associated with our Wanpo System and Trademarks, and that this Agreement should be interpreted to give full effect to this paragraph.

3. In reliance on your representations and warranties, we hereby grant to you and you hereby accept, pursuant to the terms and conditions of this Agreement, the non-exclusive right and obligation to operate a Tea Shop within the Wanpo System at the Site, using our intellectual property, only in accordance with our Standards and the other terms of this Agreement.

Article 2. <u>Site of the Tea Shop</u>

1. The specific address of the Tea Shop is ____ (the "Site"). If at the time of the execution of this Agreement the parties have not agreed upon a site for the Tea Shop, once you become aware of an available site during the term of this Agreement, you must submit the site for our consideration immediately and provide us with all required information about the site. You must also provide a copy of the lease or purchase agreement for our review and record. We will provide you with written notice of whether or not we approve the site within 10 business days of receiving all documentation and information related to the site. You may not begin any construction on a site until we have approved such site in writing. In any event, you shall, within 60 days from the execution of this Agreement, identify and propose the Site for our review and approval, otherwise we reserve the right to terminate this Agreement immediately without further notice.

2. You will arrange for the construction or remodeling of the Tea Shop. We will provide you with basic design and floor plan for a fee ("Design and Floor Plan Fee") as described in Article 3, and we agree to provide reasonable assistance to you as requested by you during the construction or remodeling of the Tea Shop at your reasonable cost. Unless requested by local law or real estate owner to change the design, the Tea Shop must be constructed and equipped, at your sole cost, to our then-current Standards and specifications and in accordance with the requirements and rules set forth by us in its design drawings and three-dimensional models. At our written request, you must promptly correct any unapproved deviations from our Standards in the development of the Tea Shop. If you fail to construct in accordance with the aforementioned requirements and rules, we reserve the right to demand you to modify or reconstruct the Tea Shop at your own cost.

3. You will not relocate the Tea Shop without our express prior written consent. This Agreement does not grant to you the right or license to operate the Tea Shop or to offer or sell Wanpo products or services at or from any other location.
4. This license is non-exclusive and relates solely to the single Tea Shop location set forth herein. We retain the right to operate or license others to operate Tea Shops and other concepts, and to grant other licenses relating to the Trademarks, at such locations and on such terms as we choose.
5. You will be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary as a result of any restrictive covenants relating to the Tea Shop's site. Prior to the beginning of construction of the Tea Shop, you will obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Tea Shop. We will render reasonable assistance as requested by you, at your reasonable cost.
6. You acknowledge and agree that you will not open the Tea Shop for business without our written authorization, and such written authorization to open is conditioned upon your strict compliance with this Agreement.

Article 3. **Fees, the Refundable Security Deposit**

1. The total Franchise Fees of the Wanpo system and a Tea Shop are as described in the table below:

Concept Type	**Wanpo**
Franchise Fee	$30,000
Design and Floor Plan Fee	$2,500
Total Franchise Fees	**$32,500**

   100% of the total Franchise Fees is payable on the signing date of this Agreement. The Franchise Fees are not refundable and must be paid in full, without reduction or offset.

2. The Franchisee is also responsible a refundable Security Deposit of US$10,000 (the "Security Deposit"), payable on the signing of this Agreement. Security Deposit will be returned to the Franchisee at upon the expiration or termination of this Agreement if The Franchisee has not materially breached this Agreement.
3. The Franchisee shall pay a royalty of 3% of your Gross Monthly Sales of the Restaurant, with a minimum monthly royalty fee of US$600. Gross Monthly Sales means the aggregate amount of all sales of our products, food, beverages and other merchandise and products approved by us and sold and services rendered at Restaurant per month but excluding: (a) value-added, sales or service taxes collected from customers and paid to the appropriate governmental taxing authority; and (b) all customer refunds and adjustments and promotional discounts, including senior citizens discount. The Royalty for the previous month is payable before the 10th of the next month, along with the previous month's financial statements and related records.
4. The Franchisee shall pay a monthly Brand Maintenance fee of US$150 per each Tea Shop, which shall be pre-paid every twelve (12) months. As such, the first payment of the Brand Maintenance Fee of US$1800 is payable upon the signing this Agreement. Following the first pre-payment, the next pre-payment of the monthly Brand Maintenance fee is due on the

anniversary date of the signing of this Franchise Agreement. The paid Brand Maintenance Fees is not refundable under any circumstances.

5. All payments made under this Agreement will be subject to reduction to reflect taxes or other charges required to be withheld by law. In the event that Franchisee is required to withhold taxes on behalf of Franchisor, Franchisee will inform Franchisor and provide documents relating to the withholding tax.

6. If you are late in paying all or part of a fee due to us, then you must also pay us our then-current late fee and interest on the unpaid amount calculated from the date due until paid at the rate of 5% per month, or the highest rate allowed by law, whichever is higher. You must also pay all collection charges, including reasonable attorneys' fees, incurred by us to collect fees that are due.

Article 4. <u>Advertising</u>

1. You will conduct commercial marketing activities at your own cost in accordance with the common commercial practices. We will support your grand opening support by providing you with marketing designs in electronic format but not physical marketing materials.

2. If you wish to use any advertising or promotional material that you have prepared or caused to be prepared, then you must submit the material and the proposed use for our prior written approval in advance of any use, and discontinue such use when we require. Our prior written approval may take the form of guidelines. For on-going promotions, we may provide assistance and support on a case-by-case basis.

3. We do not currently have a marketing fund, though we reserve the right to establish and administer such a marketing fund in the future on a regional or national basis and which will be contributed into only by our franchisees. We do not anticipate enacting the marketing fund during this calendar year, or until we determine that a sufficient number of Tea Shops are open and operating so that regional or national advertising provides a benefit to the Wanpo System. However, when we do establish the marketing fund, those franchisees will have to contribute to the marketing fund a specified percentage of the Gross Monthly Sales (as define below) of the Tea Shop to be paid in the same manner as the royalty payments. When and if established, the amount to be paid to the marketing fund is a percentage of Gross Monthly Sales agreed upon by the Parties in writing. The marketing fund nor any funds for advertising and marketing will be used for advertisement that is principally a solicitation for the sale of franchises for Wanpo System. We do not currently have a franchisee advertising council that advises us on advertising policies, though we reserve the right to establish such a council in the future.

4. We are not obligated to make expenditures for you that are equivalent or proportionate to your contributions to the Fund, or to ensure that you benefit directly or on a pro rata basis from the Marketing Fund's activities. Upon your request, we will provide you with an audited statement of receipts and disbursements for the Marketing Fund that is audited by an independent, certified public accountant, for each fiscal year of the Marketing Fund.

Article 5. <u>Initial Mandatory Training, On-Site Support, and Related Training Expenditures</u>

1. Following the signing of this Agreement, you will assign at least two (2), but no more than five (5) of your staff to our designated training facility in Taiwan to receive initial mandatory trainings for minimum fourteen (14) calendar days (including two (2) off days) at a schedule

agreed upon by both Parties. You will be solely responsible for your staff's incurred expenses, including but not limited to, transportation, accommodation and meal expenses. The initial mandatory training covers tea shop production and operation; HR management; product management and development; inventory and logistics systems; and other training programs as we see fit, and will include, but not be limited to, operations managements, logistic management, import operations, marketing plans, tea shop management, raw material inventory and controls, and basic maintenances. We may offer special training courses such as service staff training, special promotion training, other pre-opening supports and continuous organizational supports.

2. Upon the completion of the initial mandatory training, we will assign, and you will fully cooperate with, a business operation consultant to assist you in the overall operating plan for a period of fourteen (14) calendar days (including two (2) off days) immediately prior to the opening of the Tea Shop. The business operation consultant will provide you with guidance in areas such as labor management and tea shop operation and management. We will be responsible for the consultant's salary. You will be responsible for the expenses incurred locally including, but not limited to, consultant's airfare, local transportation, three-stars or above hotel accommodation, and other reasonable costs. If we pay the aforesaid fee in advance, you will reimburse us within seven (7) calendar days upon receiving our written reimbursement request.

3. After the opening of the Tea Shop, in the event that you request additional consultation service, you will discuss and schedule with us in advance, and you agree to make the following payments within seven (7) calendar days upon receiving our written reimbursement request:

    a. The salary for business operation consultant(s) is US$300 per person per day.;

    b. The round trip airfare for the business operation consultant(s); and

    c. The local transportation, meal, three stars or above hotel accommodation, and other reasonable costs incur on behalf of you.

Article 6. <u>Operation of the Tea Shop</u>

1. <u>Opening Date</u>: You will notify us with a 15-business day prior written notice prior to the opening date.

2. <u>Operating in Accordance with Our Standards</u>. You agree to operate the Tea Shop in accordance with all of our Standards, some of which are set forth in this Article. Among other things, you agree to:

    a. Keep the Tea Shop open and in continuous operation for hours we prescribe or agreed upon, and operate the Tea Shop only under the Wanpo System, unless we give written approval to do otherwise;

    b. Install and use types of equipment, hardware, and utensils we prescribed;

    c. Install and use only equipment, , hardware, utensils, furnishings, fixtures, and signage that we approve, replace them as we may require, and source them from approved suppliers;

    d. Use only supplies, materials, and other items that we approve, and source them from approved suppliers, of which we may be one;

e. Sell all required products, sell only approved products, and source them from suppliers that we approve, of which we may be one, and maintain a sufficient supply of all approved products to meet customer demands at all times, unless you receive our written approval to do otherwise;

f. Maintain a safety inventory as we suggest in according to the sizes and location of the Tea Shop to ensure customer satisfaction and in consideration of potential shipping delays;

g. Use best efforts to hire employees of good character. Maintain a sufficient number of properly trained managers and employees to render quick, competent and courteous service to Tea Shop customers in accordance with our Standards.

h. Comply with all of our requirements relating to health, safety and sanitation; and

i. Timely execute marketing windows.

3. Compliance with Applicable Laws. You agree to comply with all civil and criminal laws, ordinances, rules, regulations and orders of public authorities pertaining to the occupancy, operation and maintenance of the Tea Shop.

4. Point Of Sales System and Monthly Report. Prior to the opening of the Tea Shop, we must inspect and approve the Point Of Sales (POS) hardware and software system to be used in the Tea Shop to ensure that the POS system is compatible with our accounting system. Furthermore, you must provide us with a monthly report of your daily revenue, breakdown of the items sold (including information such as units and size of the items) per day, and such report must be provided prior to the 15th day of the following month.

5. Right of Inspection and Audit. You agree that our employees and agents have the right to enter the Tea Shop without notice during business hours to determine your compliance with Standards and this Agreement. During the course of any such inspection and audit, we may photograph or video any part of the Tea Shop. We may select ingredients, products, supplies, equipment and other items from the Tea Shop to evaluate whether they comply with our Standards. We may require you to immediately remove non-conforming items at your expense, and we may remove them at your expense if you do not remove them upon request. We will use an Audit Inspection Sheet, which shall be in substantially the form attached hereto as Exhibit A, and assign a score to you at the end of each inspection and audit (the "Audit Score"), and provide the result of our inspection and audit for your reference. If you disagree with the result of the inspection and audit, you must raise your disagreement with related evidence with us within 10 business days. The Parties may discuss in good faith on the discrepancies, but we reserve the right to assign the score at our sole discretion.

6. Determination of Prices. Because enhancing Wanpo System and Trademarks' competitive position and consumer acceptance for Wanpo products is a paramount objective of us and our franchisees, and because this objective is consistent with the long term interest of the Wanpo System overall, we may exercise rights with respect to the pricing of products and services to the fullest extent permitted by then-applicable law. These rights may include, without limitation, prescribing the maximum and/or minimum retail prices which you may charge customers for the products offered and sold at the Tea Shop, and which prices you will be compelled to observe, engaging in marketing, promotional and related campaigns which you must participate in and which may directly or indirectly impact your retail prices (such as "buy

one, get one free”). Further, we may engage in such activity only in certain geographic areas (cities, states, or regions) and not others, or with regard to certain subsets of franchisees and not others. You acknowledge and agree that any maximum, minimum or other prices we prescribe or suggest may or may not optimize the revenues or profitability of the Tea Shop.

7. Conditions of Employment. You are solely responsible for all employment decisions, including hiring, promoting, discharging, and setting wages and terms of employment.

8. Uniforms: In order to maintain the uniform enterprise image of the Wanpo System, your retailing personnel will wear our uniform. If you or any of your employees violates this Article, we reserve the right to fine you on a basis of US$100 per each violation per employee.

9. Suppliers. We have the right to approve or disapprove any supplier to your Tea Shop or to the Wanpo System. From time to time, we may enter into or require national or regional exclusive supply arrangements with one or more independent suppliers for certain approved products. In evaluating the need for an exclusive supplier, we may take into account, among other things, the uniqueness of the product; the projected price and required volume of the product; the investment required and the ability of the supplier to meet the required quality and quantity of the product; the availability of qualified, alternative suppliers; the duration of the exclusivity; and the desirability of competitive bidding.

10. Complaints. You must submit to us copies of any customer complaints relating to the Tea Shop. You must submit to us any communications from public authorities about actual or potential violations of laws or regulations relating to the operation or occupancy of the Tea Shop. We will specify from time to time the manner of submission of this information to us.

11. Courtesy. The parties will continuously strive to treat each other with courtesy and respect in all aspects of the franchise relationship.

12. Repairs and Maintenance You agree to continuously maintain the Tea Shop, including all fixtures, furnishings, signs and equipment, in the degree of cleanliness, orderliness, sanitation and repair, as prescribed by our Standards. You agree to make needed repairs (and replacements) to the Tea Shop, including all fixtures, furnishings, signs and equipment, on an ongoing basis to ensure that your use and occupancy of the Tea Shop and Premises conform to our Standards at all times. You are responsible for the costs associated with maintenance, repairs and replacements, alterations and additions.

Article 7. Franchisor’s Trademarks and Intellectual Properties

1. You agree to use only the Trademarks we designate and in the manner that we approve. You may use and display such Trademarks only in connection with the operation of the Tea Shop and in compliance with our Standards. You may only use our Wanpo Trademarks on vehicles if you first obtain our written consent.

2. You may not use the Trademarks to advertise or sell products or services through the mail or by any electronic or other medium, including the Internet, without our prior written approval. Our right of approval of any Internet usage of our Trademarks includes approval of the domain names and Internet addresses, website materials and content, and all links to other sites. We have the sole right to establish an Internet “home page” using any of the Trademarks, and to regulate the establishment and use of linked home pages by our franchisees. Furthermore, we reserve the right to set up the social media account name to your store, such as a Facebook fan page.

3. You acknowledge that all copyrights and other proprietary rights of the Trademarks are exclusively owned by us. You will only use such rights for the operation of Tea Shop at the Site and will not change or modify the Trademarks or its derivatives, or claim any copyrights or other proprietary rights for the Trademarks or its derivatives. Franchisee will not register, in whole or in part, within the US or in any other areas, the Trademarks or other trademarks, marks, logos, or designs similar or confusingly similar to the Trademarks. Unless stated otherwise in this Agreement, Franchisee will not, at anytime, declare that it has any rights or qualification over the Trademarks, and will not cause any damage to the intellectual property rights of Franchisor, nor will Franchisee cause any third parties to do the same.

4. You cannot use the names “Wanpo” or “萬波”, any of our company names, Trademarks, or anything confusingly similar as part as part of a corporate, limited liability company, other entity name, e-mail address, electronic identifier, or internet domain name. For example, your business name may not include any of our company names or Wanpo Trademarks or any variation of them and you may not use your name in connection with our Wanpo Trademarks in advertising your Tea Shop (such as “John Smith’s Wanpo”). In all approved uses of the Trademarks on your business forms such as your letterhead, invoices, order forms, receipts, and contracts, you must identify yourself as our franchisee and your business as independently owned and operated.

5. You agree to notify us promptly of any litigation relating to the Trademarks. In the event we undertake the defense or prosecution of any such litigation, you agree to execute any and all documents and do such acts and things as may be necessary, in the opinion of our counsel, to carry out such defense or prosecution.

6. Prior to the manufacturing of the merchandise under the Trademarks, you will provide the concepts and art designs (including the draft and final proposal) of such merchandise and the three-dimensional model thereof for our approval, provided, however, our approval or consent does not guarantee that the abovementioned material or model as provided by you are in compliance with the applicable laws. In the event of violation of any applicable law, you will be held solely liable. All containers, packages, labels, display materials, promotional materials, catalogs and advertisements (including but not limited to press release) which Franchisee intends to use under the Agreement will be provided to Franchisor for its written approval prior to the use or utilization thereof.

7. Franchisee agrees that upon the expiration or termination of this Agreement, Franchisee will neither by itself nor authorizes others to manufacture the licensed merchandise. All art designs (including but not limited to any diagrams, drawings or three-dimensional models) provided by Franchisor or created by Franchisee under this Agreement will be returned to Franchisor.

Article 8. <u>Sources of Raw Materials and Supplies</u>

1. The reputation and goodwill of Wanpo System is based upon, and can be maintained only by, the sale of high quality products. A list of approved suppliers is available on request. Suppliers are required to share shipping, distribution and all other information with us, and you will be required to cooperate. You and/or the supplier may request approval by submitting the request to us in writing. All requests will be reviewed in accordance with our then-current procedures and we will take into consideration our available resources, which may affect the timing of our response. The supplier must meet our then-current specifications, standards and requirements, which may include signing a non-disclosure agreement and a guarantee of performance. We

may change our specifications, standards and requirements at any time. There is no limit on our right to do so. If the supplier that you propose is initially approved or disapproved, we will notify you and the supplier within thirty (30) to sixty (60) days depending on the nature of the products or services. We may withdraw our approval at any time if the supplier's performance does not meet our criteria, we change our specifications, standards or requirements or other reasons. You or the supplier will be required to reimburse us for all costs that we incur in the testing and approval process whether the supplier is approved or not.

2. All food products, supplies, equipment and materials of your Tea Shop and services to your Tea Shop must meet our specifications, standards, and requirements. You must purchase these items from suppliers that we approve in writing. In case of any violation, you will pay a liquidated damage equals to US$10,000 for each violation.

Article 9. <u>Books, Records, and Reports</u>

1. You are required to keep business records in the manner and for the time required by law, and in accordance with generally accepted accounting principles. You are required to keep any additional business records that we specify from time to time, in the manner and for the time we specify. All records must be capable of being reviewed by us without special hardware or software. You must retain copies of each state and federal tax return for the franchised business for a period of 2 years.
2. Within 10 business days from our request and at our option, you agree to (a) photocopy and deliver to us those required records that we specify, or (b) at a location acceptable to us, provide us access to any required records that we specify for examination and photocopying by us. If after we review your business records, which include your business tax returns, we believe that underreporting of Gross Monthly Sales may have occurred, then upon request, you must pay us back the underreported royalties within 5 days of receiving our notice, and we reserve the right to terminate this Agreement immediately without further notice.
3. We will keep any records you provide to us that contain confidential information of yours confidential, provided such records are marked confidential and, by their nature, would be considered by a reasonable person to be confidential, but we may release information to any person entitled to it under any lease, to a prospective transferee of the Tea Shop, in connection with anonymous general information disseminated to our franchisees and prospective franchisees, in the formulation of plans and policies in the interest of the Wanpo System, or if required by law or any legal proceeding.

Article 10. <u>Insurance</u>

1. Prior to opening or operating the Tea Shop for business, and prior to constructing the Tea Shop in the event you are developing the Tea Shop, you agree to acquire insurance coverage of the type and in the amounts required by law, by any lease or sublease, and by us, as prescribed in our Standards or as described herein. You must maintain such coverage in full force and effect throughout the duration of this Agreement. We have the right to change requirements from time to time. All insurance must be placed and maintained with insurance companies with ratings that meet or exceed our Standards. At our request, you must provide us with proof of required insurance coverages.

2. You must provide commercial general liability coverage with minimum limits in the amount of $2,000,000 per occurrence. Failure to maintain such insurance may result in loss of your franchise and additional financial obligations.

Article 11. <u>Franchisee's Representation and Warranties</u>

You will save, defend, indemnify and hold us and our successors and assigns harmless, from and against (i) any and all claims based upon, arising out of, or in any way related to your breach of this Agreement or any agreements between you or your affiliates and us or our affiliate; and (ii) any and all expenses and costs (including reasonable attorney's fees) incurred by or on behalf of us in the defense against any and all such claims.

Article 12. <u>Franchisor's Obligations</u>

1. We will maintain a continuing advisory relationship with you by providing such assistance as we deem appropriate regarding the development and operation of the Tea Shop. We may require that you designate a fully-trained person as our primary contact.
2. We will advise on the selection of the Tea Shop's site as well as its construction, design, layout, equipment, maintenance, repair and remodeling. We will advise on the training of managers and crew personnel; on marketing and merchandising; on inventory control and record-keeping; and on all aspects of Tea Shop operations.
3. In support of our advisory relationship, we will make available to you our then-current operations manuals setting out our Standards, together with explanatory policies, procedures and other materials to assist you in complying with those Standards. We will continue our efforts to maintain high and uniform standards of quality, cleanliness, appearance and service at all Tea Shops.

Article 13. <u>Term and Renewal</u>

1. <u>Term</u>. The Agreement will be effective and binding for a period of three (3) years from the Effective Date (the "Term"), unless terminated earlier in accordance with Article 17 or by mutual agreement or renew in accordance with this Article. It will be terminated automatically without further notice at the end of the Term.
2. <u>Conditional Renewal of Franchise</u>. This Agreement will not automatically renew upon the expiration or early termination of the Term. You have an option to renew the Franchise upon the expiration of the Term for additional term of three (3) years (the "Renewal Term") if, and only if, each and every one of the following conditions have been satisfied:
    a. You give us written notice of your desire to renew the Franchise at least twelve (12) months prior to the end of the Term;
    b. You are not, when notice is given, and do not become prior to the expiration or early termination of the Term, in default of any provision of this Agreement or any other agreement between you and us or your subsidiaries or affiliates or with any other creditor or supplier of the Tea Shop or lessor or sub-lessor of the Tea Shop, and you have maintained the most current Standards;
    c. and you will have fully and faithfully performed all of its obligations under this Agreement and all such other agreements throughout their terms;

d. You must execute and deliver to us, within 10 business days (or any longer period required by law) after delivery to you, the then-current form of Franchise Agreement being offered to new franchisees at the time of renewal, including all exhibits and our other then-current ancillary agreements, which will supersede in all respects the terms and conditions of this Agreement and may contain terms and conditions substantially different from those set forth herein, including, without limitation, an increase in Royalty or marketing funds or a change in the Site.

e. The Renewal Fees structure is as follows:
    i. Average Audit Score above 90 and above: 0%~20% of the Franchise Fees
    ii. Average Audit Score between 85 and 90: 20% of the Franchise Fees
    iii. Average Audit Score between 80 and 85: 30% of the Franchise Fees
    iv. Average Audit Score between 70 and 80: 50% of the Franchise Fees
    v. Average Audit Score below 70: will not be offering renewal.

f. We approve the terms of any lease extension or new lease covering the Renewal Term, whether the lease for the Site is with our affiliate or us or with a third party, including a third party in which you have an interest; or you provide us with evidence that you have the right to remain in possession of the Site or to secure and develop a suitable alternative site acceptable to us for the Renewal Term; and

g. Prior to entering into the successor Franchise Agreement, we may request you and/or your supervisory and operational manager(s) to attend and successfully complete to our reasonable satisfaction any retraining program we may require, at your sole expense.

Article 14. <u>Assumption and Transfer of Rights</u>

1. A "transfer" by you is any sale, assignment, transfer, conveyance, gift, pledge, mortgage or other encumbrance of any interest in either this Agreement, the franchise itself, or any proprietorship, partnership, limited liability company ("LLC") or corporation which owns any interest in the franchise, to any person, persons, partnership, association, LLC or corporation, whether by contract, operation of law or otherwise.

2. Transfer by Us: This Agreement inures to the benefit of our successors and assigns, and we may assign our rights to any person or entity that agrees in writing to assume all of our obligations without your approval. Upon transfer, we will have no further obligation under this agreement, except for any accrued liabilities.

3. Transfer by You: We entered into this Agreement based on your qualifications. You may transfer a direct or indirect interest in this Agreement, but the Site and the associated rights and obligations are a package and are not themselves divisible in any way. Any transfer requires our prior written consent, which will not be unreasonably withheld. In the event a person holding a direct or indirect interest dies, that person's legal representative must, within six (6) months of the event, apply in writing to transfer that interest with notice to all other persons having a direct or indirect interest in this Agreement.

4. Transfer Fee: At the time of transfer, you must pay us a Transfer Fee of $10,000.

5. Right of First Refusal: In the event that you desire to sell, assign, or transfer any of your interest in the Tea Shop, you will give us prior six-month written notice of such desire, setting forth in such notice all of the details of such contemplated sale, assignment or transfer, including

without limitation thereto, the price, currency, terms and conditions of such proposed transaction and the identity and address of the proposed purchaser or transferee. We will have 14 calendar days after receipt of such notice to exercise in writing our right of first refusal option to purchase your interest with the terms and conditions mutually agreed by the Parties. If the Parties cannot reach consensus of the terms and conditions within fourteen (14) calendar days of the above notice, then we will evaluate whether we would approve such transfer pursuant to Article 14.3.

Article 15. <u>Forbidden to Engage in Competition</u>

You agree that you will receive valuable training and Confidential Information that you otherwise would not receive or have access to but for the rights licensed to you under this Agreement, and you have received the right to operate a Wanpo system. You therefore agree to the following noncompetition covenants:

1. Unless otherwise specified, the term "you" as used in this Article includes, collectively and individually, all spouses and family members of any shareholders, members, principal owners, guarantors, officers, directors, managers, partners, as the case may be, and holders of any ownership interest in you. We may require you to obtain from your manager and other individuals identified in the preceding sentence a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this Article.
2. You agree that during the term of this Agreement, or during any Renewal Term, you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competitive Business (as defined below) other than one authorized by this Agreement or any other agreement between us and you.
3. You agree that you will not, for a period of two years after the expiration or termination of this Agreement, or after the expiration or termination of any Renewal Term, regardless of the cause of termination, or within one year of the sale of the Tea Shop or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in a Competitive Business at the Site of the former Tea Shop and within a 5-mile radius of the Site. For purposes of this Article, a "Competitive Business" includes any business where 50% or more of its sales include the sale of gourmet coffees and teas, coffee or tea-based beverages, bubble tea.
4. You agree that the length of time in this Article will be tolled for any period during which you are in breach of the covenants or any other period during which we seek to enforce this Agreement. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.
5. In the event you violate this Article, you will pay us a liquidated damage of US$10,000 for each violation, all gains you have derived from the violation, and immediate cease of all competing activities. You agree that a breach of the covenants contained in this Article will be deemed to threaten immediate and substantial irreparable injury to us and give us the right to obtain immediate injunctive relief without limiting any other rights we might have.

Article 16. <u>Confidentiality obligations</u>

1. All information, including but not limited to the information relating to Wanpo System and other technologies, formulation, recipes, manufacturing methods, programs, pricing structures, marketing strategy, and store designs are our trade secret (the "Confidential Information"). Confidential Information further includes any information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, 3rd parties who can obtain economic value from its disclosure or use, and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. You expressly acknowledge that your relationship with us does not vest in you any interest in the Confidential Information other than the right to use it in the development and operation of the Tea Shop. Use or duplication of Confidential Information in any other business would constitute an unfair method of competition.

2. You, who have been made to know or in possession of the foresaid Confidential Information by joining the franchise, are only allowed to utilize said Confidential Information insofar as it is necessary for the execution of the Agreement. At all times both during the term of this Agreement and after expiration or earlier termination of this Agreement for any reason, you (and your directors, officers, employees, representatives, managers, shareholders, members, partners or other equity owners) will take all the necessary steps to prevent the unauthorized disclosure of the Confidential Information to any third party, with the exception of sub-franchisees who will also be subject to the confidentiality obligations to us under the sub-franchise agreements. Such obligation will continue for 2 years following the expiration or early termination of this Agreement.

3. In the event you violate this Article, you will pay us a liquidated damage of US$10,000 for each violation plus all gains you have derived from the violation. If you fail to remedy such violation, we may, at our sole discretion, terminate the Agreement immediately without further notice.

4. This Article will survive expiration or termination of this Agreement.

Article 17. <u>Termination</u>

1. This Agreement may be terminated with immediate effect by mutual written agreement by both Parties.

2. In addition to your right to terminate the agreement upon any grounds available by law and other right of termination as stated in this Agreement, in the event that any one of the following has occurred, we are entitled to, by providing a prior 180-days written notification to rescind, terminate, or refuse renewal of this Agreement and claim against you for damages incurred thereby as a result:

    a. you default on a monetary obligation to us and do not cure the default within 30 days from the date you receive our written notice to cure (if state law requires a longer cure period, then that longer period will apply);

    b. you default on any other provision of this Agreement, or any agreements between you or your affiliates and us or our affiliates, and do not cure the default within 30 days from the date you receive our written notice to cure (if state law requires a longer cure period, then that longer period will apply);

c. you have experienced a change of control (a change of control does not occur if you retain more than 50% of the shares after the transfer, or if all of the interests transfer to your spouse(s) or children or to your beneficiaries or heirs in the event that you die or become mentally incapacitated); or

d. you challenge the validity of the Trademarks, marks, trade names, service logos, graphic configurations, emblems, apparels and designs of the Wanpo System;

e. if you are convicted of or plead guilty or no contest to a felony or crime of moral turpitude; or

f. if you commit a fraud upon any of our affiliate(s) or us.

3. If we terminate this Agreement or upon the expiration of this Agreement, then

   a. you must immediately pay us all unpaid Franchise Fees, Royalty payment, or any amount due, without reduction or offset, even if you did not open any or all of the Tea Shop;

   b. all rights granted pursuant to this Agreement will cease immediately without further notice;

   c. you will co-operate with us in the cancellation of any licenses or registrations registered with you or under your name, if any, and will execute such documents and do all acts and things as may be necessary to effect such cancellation;

   d. you will return to us promptly, at your sole expense, all records and copies of promotional materials or objects in its possession relating to the Wanpo System, and of any information of a confidential nature communicated to you by us or our affiliates pursuant to, in connection with, or arising from this Agreement.

4. The expiration or termination of this Agreement will not affect any provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this Agreement, and will remain in full force and effect.

5. Termination or expiration of this Agreement will not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiration, including the right to claim liquidated damages in respect of any breach of the Agreement which existed at or before the date of termination or expiration.

Article 18. **<u>Dispute settlement</u>**

Whenever this Agreement or any related agreement grants, confers or reserves to us the right to take action, refrain from taking action, grant or withhold our consent or grant or withhold our approval, unless the provision specifically states otherwise, we will have the right to engage in such activity at our option, taking into consideration, our assessment of the long term interests of the Wanpo System overall. You and us recognize, and any court or judge is affirmatively advised, that if those activities and/or decisions are supported by our business judgment, neither said court, said judge nor any other person reviewing those activities or decisions will substitute his, her or its judgment for our judgment. When the terms of this Agreement specifically require that us not unreasonably withhold our approval or consent, if you are in default or breach under this Agreement, any withholding of our approval or consent will be considered reasonable.

The Agreement has been entered into in accordance with laws of California, and all questions with respect to the construction of this Agreement and the rights and liabilities of the parties will be governed by the laws of California without regard to its conflicts of laws, and excluding the application of the United Nations Convention on Contracts for the International Sale of Goods 1980.

Any dispute, disagreement, controversy or claim arising out of or in connection with this Agreement ("Dispute") will be settled by the parties through mutual good-faith discussions. If the parties are unable to do so within 60 days after the complaining party's written notice to the other party, the parties will then seek to resolve the dispute through non-binding mediation conducted in California. Each party must bear its own expenses in connection with the mediation and must share equally the fees and expenses of the mediator. If the parties are unable to resolve the dispute within 60 days after commencing mediation, either party may commence litigation in the applicable courts in California. Notwithstanding the commencement of such dispute resolution, the Parties will continue to perform their obligations hereunder.

Article 19. <u>Waiver/Integration</u>

No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the operations manuals and/or the Standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices hereto and the application form executed by you requesting us to enter into this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Disclosure Document we furnished to you. You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

Article 20. <u>Miscellaneous</u>

1. An event of Force Majeure will mean an event where you are unable to perform any portion this Agreement by any prevention, delay, or stoppage caused by strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes for those items, government actions, civil commotions, fire or other casualty, or other causes beyond your reasonable control.
2. You are an independent contractor of ours. Neither party to this Agreement has the power to bind the other. Neither party is liable for any act, omission, debt or any other obligation of the other, and you and we agree to indemnify and save each other harmless from any such claim and the cost of defending such claim.
3. The waiver by either party of a breach of any provision of this Agreement applies only to that one breach and only to that one provision.

4. If we accept payments from any person or entity other than you, such payments will be deemed made by such person as your agent and not as your successor.
5. If, for any reason, any provision of this Agreement is determined to be invalid or to conflict with an existing or future applicable law, then the remaining provisions will continue to bind the parties and the invalid or conflicting provision will be deemed not to be a part of this Agreement.
6. Our rights and remedies are cumulative.
7. Neither you nor your successor may create or assert any security interest or lien in this Agreement.
8. This Agreement and the documents referred to herein will be the entire, full and complete agreement between you and us concerning the subject matter of this Agreement, which supersedes all prior agreements.
9. Nothing in this Agreement is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.
10. This Agreement may only be modified by the parties in writing.
11. All notices will be sent by prepaid private courier or certified mail to the addresses specified below, or to such other addresses as you and we provide each other in writing.

To Wanpo	**To Franchisee**
Attention:	Attention:
Address: No. 38, Sec. 2, Huanzhong Rd. Xitun Dist., Taichung City Taiwan 407	Address:
Tel:	Tel:
Fax:	Fax:
Email:	Email:

12. Your success in this business is speculative and depends, to an important extent, upon your ability as an independent business owner. We do not represent or warrant that locations we approve will achieve a certain level of sales or be profitable. If we provide maps, demographics or other information to you in connection with the Site, we do so without any representation or warranty that the information is complete, accurate or current. We do not represent that you will be able to find or secure appropriate location or that you will be able to develop the Tea Shop. You further acknowledge and understand that we make no representation, promise, warranty, or guarantee, express or implied, that the Tea Shop operates at the approved Site will be profitable or otherwise successful. By your signature below, you acknowledge that you have entered into this Agreement after making an independent investigation of the Wanpo System and the Site.
13. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material

inducement to a franchisee's investment. This provision supersedes any other or inconsisitent term of any document executed in connection with the franchise.

In Witness Whereof, the parties have been given full understanding as to the extent of the Agreement and do so by acknowledging with due signature and endorsement by authorized signatories from the parties as provided below.

AIM GOOD USA Corporation	___________________________________
Signature: _________________________ Name: 張庭偉 Ting-Wei Chang Title: President	Signature: _________________________ Name: _________________________ Title: _________________________
Date: _________________________	Date: _________________________

Exhibit A

Audit Inspection Sheet

一、品質衛生 Quality & Hygiene　　　　得分 Score:

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
Q01	門市內冷藏原物料，半成品皆有確實標示保鮮期效並於期限內售完? Are the refrigerated raw materials and semi-finished products in the store clearly marked with the expiration date and sold within the following periods: 3 小時 （波霸、原茶） 3 hours (boba, raw tea)； 24 小時（水果片丁、葡萄柚原汁、檸檬原汁、混和後紅豆粉粿）24 hours (cut fruit, grapefruit juice, lemon juice, mixed red bean jelly)； 48 小時（退冰後紅豆粉粿、百香原汁、甘蔗原汁、冷泡紅）48 hours (mixed red bean jelly after defrosting, passion fruit juice, sugar cane juice, cold-brewed black tea)； 72 時（仙草甘茶、冬瓜茶、洛神花茶、仙草凍、愛玉凍、梅汁、二砂糖漿）72 hours (grass jelly tea, winter melon tea, roselle/hibiscus tea, grass jelly, aiyu jelly, plum juice, sugar syrup)。		8%
Q02	門市內應由總部所提供的原物料，是否均為總部提供之原物料? Are the raw materials used in the store that shall be provided by franchisor are the raw materials provided by the franchisor?		4%
Q03	門市內協力廠商所提供的原物料，是否使用總部同意之品牌? Are the raw materials used in the store that are provided by third party are from the brands authorized by the franchisor?		4%
Q04	門市內販售的飲品是否為公司所上架之飲品、產品供應是否齊全、有無斷貨? Are the beverages sold in the store that are authorized by the franchisor, are the products' offering complete, and there are no out-of-stocks items?		3%
Q05	原物料外包裝是否標示進貨日期，擺放是否整齊、庫存量是否合理? Are the outer packaging of the raw materials marked with the date of purchase, whether the display is organized, and whether the inventory level is reasonable?		3%

Q06	原物料是否在有效期限内? ex：鮮乳、愛玉、茶品保鮮時間。檯面上物料是否足夠冰鎮（冰塊量）於 7 度 C 以下、加蓋 Are the raw materials within the expired period (such as fresh milk, aiyu, and tea products' retention time)? Whether the food material on the working table is properly refrigerated, with sufficient volume of ice, and are kept below 7°C and covered?		3%
Q07	吧台五金器具是否保持清潔且維持整潔、無損壞、無茶垢。ex：量杯、雪克杯、抹布、濾茶布、煮茶鍋、茶桶等? Are the bar hardware (such as measuring cup, shaker, kitchen rag, tea filter cloth, tea pot, or tea bucket) kept clean and organized, and without damage or tea stains?		2%
Q08	廚房五金器具是否保持清潔且維持整潔無損壞（電磁爐、煮茶計時器、電子磅秤等）? Is kitchen hardware (such as electronic stovetop, tea timer, or electronic scale) kept clean and organized and without damage?		2%
Q09	封口機清潔是否確實，無汙染飲品封杯? Is the sealing machine properly cleaned and not polluting the beverage?		2%
Q10	冰槽、水槽、水龍頭是否做好清潔，無茶垢, 水垢? Are ice sinks, water sinks, and faucets clean and free of tea scale and limescale?		1%
Q11	工作檯面是否保持乾淨清潔、無水垢、茶垢與清潔用品? Is work desk clean and free of limescale, tea scale, and detergent?		1%
Q12	門市冰箱內部無擺放非營業用之雜物，且保持期內部及門面外觀整潔，並區分員工專區 There are no non-operating sundries inside the refrigerators in the store, and the interior and exterior of the store should be kept clean and organized, and there should be a separate area for employees.		2%
Q13	人員指甲是否過長、不可塗指甲油、不可帶手飾、手錶、垂掛式飾品 Whether the staff's finger nails are of proper length and without nail polish, that the employees do not wear jewelry, watches, or any hanging jewelry.		1%
Q14	半成品、飲品製作是否都按公司 SOP，無自行更換配方與做法? 泡茶計時器時間設定是否正確? Are semi-finished products and beverages produced in accordance with the franchisor's SOP, without unilaterally changing the recipes or the process? Does the tea brewing timer set correctly?		4%
Q15	茶桶、不銹鋼鍋、食器與各類半成品食材、包材擺放是否離地 5 公分?所有垃圾桶是否加蓋?		2%

	Are tea buckets, stainless steel pots, food utensils, and various semi-finished products and packaging materials placed 5 cm above the ground? Are all trash bins covered?		
Q16	抹布是否有分區域，無混合使用，杯身清潔，打熱機，獨立分色? Are the rags used in different areas remained separated? For example: the cup cleaning rag and the heating machine rags are different color?		2%
Q17	人員接觸食材是否戴手套、生鮮食材是否盡速冷藏（半成品、分裝品）？ Do staff wear gloves when touching raw materials, and are fresh raw materials (regardless whether they are semi-finished products or repackaged into smaller packages) refrigerated as soon as possible?		1%
Q18	水果類是否擺放於冰箱內、如常溫保存是否離地面 5 公分? Are the fruits placed in the refrigerator or if stored at room temperature are stored 5 cm above the ground?		3%

二、人員服務 Service

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
S01	人員服裝儀容是否達總部要求（長髮需束髮、男生鬍子整理乾淨、著規定制服並保持乾淨、無違反衛生管理要求）？ Do the staff's clothing and grooming meet the franchisor's requirements (such as long hair needs to be tied, facial hair must be property trimmed, must wear uniforms and uniforms must be kept clean, and there is no violation of hygiene management standard)?		3%
S02	POS 點單人員能親切招呼, 且門市人員皆能立即致歡迎光臨詞。顧客完成消費離開時，能立即致上歡送詞，且聲調開朗、親切、熱情。 The staff operates the POS system should greet customer cordially, and the front of the house staff should immediately give the welcome greeting. When customer finishes shopping and leaves, they should immediately give the farewell greeting in a cheerful, cordial and enthusiastic tone.		3%
S03	POS 點單人員向顧客確認點單飲品及消費金額，並向顧客複誦收取現金金額及找零金額? Does the staff who operate the POS system confirm the ordered drink and the purchase amount with the customer, and read the received cash amount and change amount to the customer?		2%
S04	POS 點單人員收銀話術正確、落實面銷、行銷介紹，電話禮儀是否良好?		2%

	Does the staff who operate the POS system use correct shoptalk when conducting cashier transaction, implementing face-to-face sales technique and product introductions? Is the telephone etiquette acceptable?		
S05	充分關注顧客動向（排隊、等茶），並積極處理、不讓顧客久候。 Pay full attention to customer movement (queuing to make order or to pick up order), and actively manage the customer movement to prevent long waiting time.		2%
S06	出杯時杯身擦拭乾淨，包裝、叫號、應對禮貌合宜。 When handling the beverage to customer, wipe the body of the cup clean, package the product, call the customer, and conduct oneself politely.		2%

三、環境清潔 Cleanliness

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
C01	門市內外走道、顧客通道、騎樓、窗台、玻璃等能保持其整潔暢通，無盆栽或堆放凌亂雜物。 The inside and outside aisles, customer passages, arcades, windowsills, glass, etc. of the store can be kept clean and unobstructed, without potted plants or piled up messy debris.		3%
C02	櫃檯檯面，收銀機，文宣製作物是否保持清潔乾淨、正確性、無雜物擺設? Are the countertops, cash registers, and promotional materials kept clean, correct, and free of sundries.		3%
C03	門市內牆面皆能保持整潔，且無張貼不合規定之文宣、海報或手繪、塗鴉等字樣。 The walls of the store can be kept clean and organized, and no illegal propaganda, posters, hand-painted, graffiti and other words are posted.		2%
C04	門市地板、倉儲空間、布簾（幕）、廁所、貨架能保持地面完整性及其乾燥整潔。 Store floors, storage spaces, curtains, toilets, and shelves can maintain the integrity of the ground and keep it dry and organized.		4%
C05	門市內燈泡、各式燈箱能保持明亮及外觀整潔、完整性，並於營業時間內全程開啟。 The bulbs and various light boxes in the store can be kept bright and the appearance is clean and complete, and they can be turned on throughout the business hours.		2%
C06	門市內天花板、牆面、牆角能有效維護外觀整潔，無蜘蛛網。		2%

	The ceilings, walls and corners of the store can effectively maintain a clean appearance without cobwebs.		
C07	各工作檯面無擺放非營業性物品、私人物品、清潔用品等，用具擺放整齊不淩亂。 No non-commercial items, personal items, cleaning supplies, etc. are placed on each working desk, and the utensils are neatly placed and not messy.		1%
C08	清潔表單是否落實執行與填寫? Is the cleaning form implemented and filled out?		1%

四、設備保養 Maintaince of Equipment

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
E01	製冰機、開水機、各式冰箱（含散熱器）、營業設備皆能保持其內部及外觀整潔、正常運作。 Ice machines, water machines, all kinds of refrigerators (including radiators), and business equipment keep their interiors and exterior appearances clean and in normal operation.		3%
E02	製冰機產出冰塊是否合乎標準大小、清澈度、密度，濾心更換週期是否正確並紀錄? Do the ice cubes produced by the ice maker meet the standard size, clarity, and density, and is the filter replacement properly replaced and the cycle accurately recorded?		2%
E03	糖機流量是否正確? Is the sugar machine’s flow correct?		3%
E04	封口機封膜是否完整、軌道是否有上黃油、封膜位置是否正確? Is the seal produced by the sealing machine secured, are the rails oiled, and is the sealing film position correct?		2%
E05	封口機安全門運作是否正常? Does the sealing machine’s safety device operate properly?		2%

五、營運管理 Operation

項次	評核項目	是否合格	占比

No.	Audited Items	Pass	%
O01	營業時間、音樂播放、形象擺設（不得有與品牌形象無關的雜物或卡通擺設）是否正確? Are the business hours, background music, and decorations (no items or cartoon decorations not related to the brand image) correct?		2%
O02	試茶表、衛生管理表、開閉店流程表、各項店務管理表單是否落實填寫、落實執行? Are the tea test forms, hygiene management forms, store opening and closing process forms, and various store management forms completed and implemented?		2%
O03	排班工時、人數、戰力搭配是否正確? 供應速度良好、人員不過勞不閒置。 Are the working hours, number of staff, and resource allot correctly? The turnover is acceptable, and the staff are not either overworked nor idle.		2%
O04	上次稽核時應改善事項是否已完成? Were items that need improvement completed following the last audit?		2%
O05	_____月份目前實際達成 ___________ _____，杯單價 _______，外送占比_____%，日平均營收_______。 The actual revenue realization rate in [month] as of today is ___________ _____, average cup unit price is ___________, delivery ratio is _______%, and daily average revenue is _______.		

Exhibit C

Area Development Franchise Agreement

This Area Development Franchise Agreement (this "Agreement") is made and entered into this date of __________ ____, 20__ (the "Effective Date") by and between **AIM GOOD USA Corporation**, a corporation organized and existing under the laws of Delaware with a principal place of business at 919 North Market Street, Suite 950, Wilmington, DE 19801 (we, our, "Wanpo" or the "Franchisor") and ____________________, a company organized and existing under the laws of __________ with a principal place of business at ____ (you, your, or the "Franchisee").

Recital

Whereas, We are the licensee of the trademarks "Wanpo™", " ™", "萬波™" or other marks and logos (the "Trademarks"), and are authorized to sub-license the Trademarks to third parties;

Whereas, We possess advanced technology, management system, continuous and innovative product development, and knowledge in relation to a unique and distinctive system relating to the development and operation of "Wanpo" Tea Shop establishment with unique product lines, distinctive fixtures, equipment, interior and exterior accessories, color scheme, inventory and accounting system, of which may be changed, improved, and further developed by us or our affiliates from time to time (the "Wanpo System");

Whereas, We are in the business of granting certain limited rights for third parties to develop, manage and maintain the Wanpo System; and look for entities capable of developing, launching, and operating tea shops bearing the Trademarks using and under the Wanpo System; offering unique tea-based drinks, compatible food products, accessories and gifts bearing the Trademarks, trade names, service logos, graphic configurations, emblems, apparels and designs of the Wanpo System (the "Tea Shop");

Whereas, You represent that you have the capacity to develop, manage and operate the Tea Shop within a certain Protected Territory (as defined below), and wish to develop, manage, and operate the Tea Shop within the Protected Territory; and we are willing to grant to you the franchise right to develop, manage, and operate the Tea Shop within the Protected Territory, and you are willing to accept the grant under the terms and conditions as stated herein;

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

Article 1. Grant of Development Rights

1. As franchisor, we have the right to establish "Standards" for various aspects of the Wanpo System that include the location, physical characteristics and quality of operating systems of Tea Shops and other concepts; the products that are sold; the qualifications of suppliers; the qualifications, organization and training of franchisees and their personnel; the timely marketing of products and our brand, including execution of marketing windows; and all other

things affecting the experience of consumers who patronize the Wanpo System. We make those Standards available to you in our operation manuals, trainings, on-site assistance, and in other forms of communication, which we may update from time to time. Complete uniformity may not be possible or practical throughout the Wanpo System, and we may from time to time vary Standards as we deem necessary or desirable for the Wanpo System.

2. As franchisee, you have the right and responsibility to exercise day-to-day control your Tea Shop to meet those Standards, and the heart of the Wanpo System and this franchise relationship is your commitment to that responsibility. Any required Standards exist to protect our interests in the Wanpo System and the Trademarks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. Furthermore, you acknowledge that your commitment is important to us, to you, and to other franchisees in order to promote the goodwill associated with our Wanpo System and Trademarks, and that this Agreement should be interpreted to give full effect to this paragraph.

3. In reliance on your representations and warranties, we hereby grant to you and you hereby accept, pursuant to the terms and conditions of this Agreement, the exclusive right and obligation to develop operate Tea Shops with the Wanpo System within the Protected Territory, using our intellectual property, only in accordance with our Standards and the other terms of this Agreement.

Article 2. **<u>Site of the Tea Shop</u>**

1. The Protected Territory for the Tea Shops is the geographic area of [list of the county] in [state] (the "Protected Territory"). During the term of this Agreement, once you become aware of an available site for a Wanpo Tea Shop, you must submit the site for our consideration immediately and provide us with all required information about the site. You must also provide a copy of the lease or purchase agreement for our review and record. We will provide you with written notice of whether or not we approve the site within 10 business days of receiving all documentation and information related to the site. You may not begin any construction on a site until we have approved such site in writing. In any event, you shall, within 60 days from the execution of this Agreement, identify and propose the first site for our review and approval, otherwise we reserve the right to terminate this Agreement immediately without further notice.

2. You will arrange for the construction or remodeling of the Tea Shop. We will provide you with basic design and floor plan for a fee ("Design and Floor Plan Fee") as described in Article 3, and we agree to provide reasonable assistance to you as requested by you during the construction or remodeling of the Tea Shop at your reasonable cost. Unless requested by local law or real estate owner to change the design, the Tea Shop must be constructed and equipped, at your sole cost, to our then-current Standards and specifications and in accordance with the requirements and rules set forth by us in its design drawings and three-dimensional models. At our written request, you must promptly correct any unapproved deviations from our Standards in the development of the Tea Shop. If you fail to construct in accordance with the aforementioned requirements and rules, we reserve the right to demand you to modify or reconstruct the Tea Shop at your own cost.

3. Prior to the grand opening of the first Tea Shop, we reserve the right to assign one of our inspectors to conduct a pre-opening inspection that will take no more than one (1) week. We will be solely responsible for such inspector's salary and airfare expenses. You will pay for the inspector's local transportation, meal, three stars or above hotel accommodation expenses, and

other reasonable costs. If we pay the aforesaid fee in advance, you will reimburse us within seven (7) calendar days upon receiving our written reimbursement request.

4. You will not relocate any of the Tea Shop within the Protected Territory without our express prior written consent. Please note that this Agreement is not a master franchise agreement, as it does not grant to you the right or license to operate the Tea Shop outside of the Protected Territory or to offer or sell the Wanpo franchises to a third party within or outside of the Protected Territory.

5. Protected Territory. So long as you are in full compliance with this Agreement, for traditional locations, we will not grant a franchise or establish a company-owned location to be located within your Protected Territory. The Protected Territory means the smaller of (i) the area within a 1 mile radius of the Protected Territory. We will not grant a franchise or establish a company-owned location the Protected Territory except for the non-traditional location that will be further described below. Furthermore, you may engage in catering or delivery service within your Protected Territory.

6. Exceptions of the Protected Territory. The Protected Territory does not include any non-traditional locations, where we may grant a franchise or establish a company-owned location at a non-traditional location. Non-traditional locations include: shopping malls or shopping plaza (for this Agreement, a shopping mall or a shopping plaza means any retail shopping center containing two or more anchor retail department stores. Current examples of anchor retail department stores include Sears, Macy's, JCPenny, Nordstrom, Neiman Marcus, Bloomingdales, Saks Fifth Avenue, Dillard's, K-Mart, Kohls, Ross Stores, Best Buy, Wal-Mart, Home Depot, Office Depot, 99 Cents Only Stores, or other similarly large retail stores. We and you acknowledge that this list of examples is not complete, that some of these stores will go out of business, some will merge, and new stores will be established); business plaza, casino, or casino resort. All other locations are traditional locations.

7. You will be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary as a result of any restrictive covenants relating to the Tea Shop's site. Prior to the beginning of construction of the Tea Shop, you will obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Tea Shop. We will render reasonable assistance as requested by you, at your reasonable cost.

8. You acknowledge and agree that you will not open any Tea Shops for business within the Protected Territory without our written authorization, and such written authorization to open is conditioned upon your strict compliance with this Agreement.

Article 3. <u>Franchise Fees, the Refundable Security Deposit, and the Minimum Tea Shops Quota</u>

1. The Franchise Fees of the Wanpo system for developing Tea Shops in the Protected Area are as described in the table below:
   a. *Area Development Fee* $200,000 (*one-time lump sum fee*)
   b. *Design and Floor Plan Fee* $2,500 (*per Tea Shop*)
   c. Store Fee $6,000 (*per Tea Shop*)

   (together, Area Development Fee, Design and Floor Plan Fee, and Store Fee, the "Franchise Fees"). 100% of the total Area Development Fee is payable on the signing date of the Franchise

Agreement. The Design and Floor Plan Fee and the Store Fee are due one (1) day prior to the opening of the Tea Shop. The Franchise Fees are not refundable and must be paid in full, without reduction or offset. Please note that we will waive the Design and Floor Plan Fee as well as the Store Fee for the first Tea Shop within the Protected Territory.

2. The Franchisee is also responsible a refundable Security Deposit of US$10,000 (the "Security Deposit"), payable on the signing of the Franchise Agreement. Security Deposit will be returned to the Franchisee at upon the expiration or termination of the Franchise Agreement if The Franchisee has not materially breached the Franchise Agreement.
3. The Franchisee shall pay a royalty of 3% of your Gross Monthly Sales of each Tea Shop, with a minimum monthly royalty fee of US$600. Gross Monthly Sales means the aggregate amount of all sales of our products, food, beverages and other merchandise and products approved by us and sold and services rendered at Restaurant per month but excluding: (a) value-added, sales or service taxes collected from customers and paid to the appropriate governmental taxing authority; and (b) all customer refunds and adjustments and promotional discounts, including senior citizens discount. The Royalty for the previous month is payable before the 10th of the next month, along with the previous month's financial statements and related records.
4. The Franchisee shall pay a monthly Brand Maintenance fee of US$100 per each Tea Shop, which shall be pre-paid every twelve (12) months. As such, the first payment of the Brand Maintenance Fee of US$1200 is payable upon the signing this Agreement. Following the first pre-payment, the next pre-payment of the monthly Brand Maintenance fee is due on the anniversary date of the signing of this Franchise Agreement. The paid Brand Maintenance Fees is not refundable under any circumstances.
5. All payments made under this Agreement will be subject to reduction to reflect taxes or other charges required to be withheld by law. In the event that Franchisee is required to withhold taxes on behalf of Franchisor, Franchisee will inform Franchisor and provide documents relating to the withholding tax.
6. If you are late in paying all or part of a fee due to us, then you must also pay us our then-current late fee and interest on the unpaid amount calculated from the date due until paid at the rate of 5% per month, or the highest rate allowed by law, whichever is higher. You must also pay all collection charges, including reasonable attorneys' fees, incurred by us to collect fees that are due.
7. In order to keep your exclusivity for the Protected Territory, you agree to open a minimum Tea Shop quota in the schedule as set forth below:
    a. ________ Tea Shop in the first year;
    b. ________ Tea Shop in the second year;
    c. ________ Tea Shop in the third year;
    d. ________ Tea Shop in the fourth year; and
    e. ________ Tea Shop in the fifth year.

    In the event that you have failed to open the stipulated minimum number of Tea Shops in the applicable year, then by December 31 of the applicable year, you shall pay us the Shortage Fees. The Shortage Fees are described as follows:
    a. The Store Fees × (the difference between the minimum Tea Shops of the applicable year – the number of Tea Shops opened in the applicable year); plus

b. The Monthly Brand Maintenance Fees × 12 × (the difference between the minimum Tea Shops of the applicable year – the number of Tea Shops opened in the applicable year)

The Shortage Fees are non-refundable, but may be applied as credit if you cure the shortage within a six (6) months period from December 31 of the applicable year.

We reserve the right to audit your ability to fulfill the minimum Tea Shop obligation at any time. If you do not meet the minimum Tea Shop quota, we may cancel your exclusive right to market and sell the Tea Shop in the Protected Territory, we may sell additional franchises within your Protected Territory, we may begin operations of our own Tea Shop in the Protected Territory, or we may terminate this Agreement.

Article 4. <u>Advertising</u>

1. You will conduct commercial marketing activities at your own cost in accordance with the common commercial practices. We will support your grand opening support by providing you with marketing designs in electronic format but not physical marketing materials.
2. If you wish to use any advertising or promotional material that you have prepared or caused to be prepared, then you must submit the material and the proposed use for our prior written approval in advance of any use, and discontinue such use when we require. Our prior written approval may take the form of guidelines. For on-going promotions, we may provide assistance and support on a case-by-case basis.
3. We do not currently have a marketing fund, though we reserve the right to establish and administer such a marketing fund in the future on a regional or national basis and which will be contributed into only by our franchisees. We do not anticipate enacting the marketing fund during this calendar year, or until we determine that a sufficient number of Tea Shops are open and operating so that regional or national advertising provides a benefit to the Wanpo System. However, when we do establish the marketing fund, those franchisees will have to contribute to the marketing fund a specified percentage of the Gross Monthly Sales (as define below) of the Tea Shop to be paid in the same manner as the royalty payments. When and if established, the amount to be paid to the marketing fund is a percentage of Gross Monthly Sales agreed upon by the Parties in writing. The marketing fund nor any funds for advertising and marketing will be used for advertisement that is principally a solicitation for the sale of franchises for Wanpo System. We do not currently have a franchisee advertising council that advises us on advertising policies, though we reserve the right to establish such a council in the future.
4. We are not obligated to make expenditures for you that are equivalent or proportionate to your contributions to the Fund, or to ensure that you benefit directly or on a pro rata basis from the Marketing Fund's activities. Upon your request, we will provide you with an audited statement of receipts and disbursements for the Marketing Fund that is audited by an independent, certified public accountant, for each fiscal year of the Marketing Fund.

Article 5. <u>Initial Mandatory Training, On-Site Support, and Related Training Expenditures</u>

1. Following the signing of this Agreement, you will assign at least two (2), but no more than five (5) of your staff to our designated training facility in Taiwan to receive initial mandatory trainings for minimum fourteen (14) calendar days (including two (2) off days) at a schedule agreed upon by both Parties. You will be solely responsible for your staff's incurred expenses,

including but not limited to, transportation, accommodation and meal expenses. The initial mandatory training covers tea shop production and operation; HR management; product management and development; inventory and logistics systems; and other training programs as we see fit, and will include, but not be limited to, operations managements, logistic management, import operations, marketing plans, tea shop management, raw material inventory and controls, and basic maintenances. We may offer special training courses such as service staff training, special promotion training, other pre-opening supports and continuous organizational supports.

2. Upon the completion of the initial mandatory training, we will assign, and you will fully cooperate with, a business operation consultant to assist you in the overall operating plan for a period of fourteen (14) calendar days (including two (2) off days) immediately prior to the opening of the Tea Shop. The business operation consultant will provide you with guidance in areas such as labor management and tea shop operation and management. We will be responsible for the consultant's salary. You will be responsible for the expenses incurred locally including, but not limited to, consultant's airfare, local transportation, three-stars or above hotel accommodation, and other reasonable costs. If we pay the aforesaid fee in advance, you will reimburse us within seven (7) calendar days upon receiving our written reimbursement request.

3. After the opening of the Tea Shop, in the event that you request additional consultation service, you will discuss and schedule with us in advance, and you agree to make the following payments within seven (7) calendar days upon receiving our written reimbursement request:

    a. The salary for business operation consultant(s) is US$300 per person per day.;

    b. The round trip airfare for the business operation consultant(s); and

    c. The local transportation, meal, three stars or above hotel accommodation, and other reasonable costs incur on behalf of you.

Article 6. <u>Operation of the Tea Shop</u>

1. <u>Opening Date</u>: You will notify us with a 15-business day prior written notice prior to the opening date.

2. <u>Operating in Accordance with Our Standards</u>. You agree to operate the Tea Shop in accordance with all of our Standards, some of which are set forth in this Article. Among other things, you agree to:

    a. Keep the Tea Shop open and in continuous operation for hours we prescribe or agreed upon, and operate the Tea Shop only under the Wanpo System, unless we give written approval to do otherwise;

    b. Install and use types of equipment, hardware, and utensils we prescribed;

    c. Install and use only equipment, hardware, utensils, furnishings, fixtures, and signage that we approve, replace them as we may require, and source them from approved suppliers;

    d. Use only supplies, materials, and other items that we approve, and source them from approved suppliers, of which we may be one;

e. Sell all required products, sell only approved products, and source them from suppliers that we approve, of which we may be one, and maintain a sufficient supply of all approved products to meet customer demands at all times, unless you receive our written approval to do otherwise;

f. Maintain a safety inventory as we suggest in according to the sizes and location of the Tea Shop to ensure customer satisfaction and in consideration of potential shipping delays;

g. Use best efforts to hire employees of good character. Maintain a sufficient number of properly trained managers and employees to render quick, competent and courteous service to Tea Shop customers in accordance with our Standards.

h. Comply with all of our requirements relating to health, safety and sanitation; and

i. Timely execute marketing windows.

3. Compliance with Applicable Laws. You agree to comply with all civil and criminal laws, ordinances, rules, regulations and orders of public authorities pertaining to the occupancy, operation and maintenance of the Tea Shop.

4. Point Of Sales System and Monthly Report. Prior to the opening of the first Tea Shop, we must inspect and approve the Point Of Sales (POS) hardware and software system to be used in the Tea Shop to ensure that the POS system is compatible with our accounting system. Furthermore, you must provide us with a monthly report of your daily revenue, breakdown of the items sold (including information such as units and size of the items) per day, and such report must be provided prior to the 15^{th} day of the following month.

5. Right of Inspection and Audit. You agree that our employees and agents have the right to enter the Tea Shop without notice during business hours to determine your compliance with Standards and this Agreement. During the course of any such inspection and audit, we may photograph or video any part of the Tea Shop. We may select ingredients, products, supplies, equipment and other items from the Tea Shop to evaluate whether they comply with our Standards. We may require you to immediately remove non-conforming items at your expense, and we may remove them at your expense if you do not remove them upon request. We will use an Audit Inspection Sheet, which shall be in substantially the form attached hereto as Exhibit A, and assign a score to you at the end of each inspection and audit (the "Audit Score"), and provide the result of our inspection and audit for your reference. If you disagree with the result of the inspection and audit, you must raise your disagreement with related evidence with us within 10 business days. The Parties may discuss in good faith on the discrepancies, but we reserve the right to assign the score at our sole discretion.

6. Determination of Prices. Because enhancing Wanpo System and Trademarks' competitive position and consumer acceptance for Wanpo products is a paramount objective of us and our franchisees, and because this objective is consistent with the long term interest of the Wanpo System overall, we may exercise rights with respect to the pricing of products and services to the fullest extent permitted by then-applicable law. These rights may include, without limitation, prescribing the maximum and/or minimum retail prices which you may charge customers for the products offered and sold at the Tea Shop, and which prices you will be compelled to observe, engaging in marketing, promotional and related campaigns which you must participate in and which may directly or indirectly impact your retail prices (such as "buy

one, get one free"). Further, we may engage in such activity only in certain geographic areas (cities, states, or regions) and not others, or with regard to certain subsets of franchisees and not others. You acknowledge and agree that any maximum, minimum or other prices we prescribe or suggest may or may not optimize the revenues or profitability of the Tea Shop.

7. Conditions of Employment. You are solely responsible for all employment decisions, including hiring, promoting, discharging, and setting wages and terms of employment.

8. Uniforms: In order to maintain the uniform enterprise image of the Wanpo System, your retailing personnel will wear our uniform. If you or any of your employees violates this Article, we reserve the right to fine you on a basis of US$100 per each violation per employee.

9. Suppliers. We have the right to approve or disapprove any supplier to your Tea Shop or to the Wanpo System. From time to time, we may enter into or require national or regional exclusive supply arrangements with one or more independent suppliers for certain approved products. In evaluating the need for an exclusive supplier, we may take into account, among other things, the uniqueness of the product; the projected price and required volume of the product; the investment required and the ability of the supplier to meet the required quality and quantity of the product; the availability of qualified, alternative suppliers; the duration of the exclusivity; and the desirability of competitive bidding.

10. Complaints. You must submit to us copies of any customer complaints relating to the Tea Shops within the Protected Territory. You must submit to us any communications from public authorities about actual or potential violations of laws or regulations relating to the operation or occupancy of the Tea Shop. We will specify from time to time the manner of submission of this information to us.

11. Courtesy. The parties will continuously strive to treat each other with courtesy and respect in all aspects of the franchise relationship.

12. Repairs and Maintenance You agree to continuously maintain the Tea Shop, including all fixtures, furnishings, signs and equipment, in the degree of cleanliness, orderliness, sanitation and repair, as prescribed by our Standards. You agree to make needed repairs (and replacements) to the Tea Shop, including all fixtures, furnishings, signs and equipment, on an ongoing basis to ensure that your use and occupancy of the Tea Shop and Premises conform to our Standards at all times. You are responsible for the costs associated with maintenance, repairs and replacements, alterations and additions.

Article 7. Franchisor's Trademarks and Intellectual Properties

1. You agree to use only the Trademarks we designate and in the manner that we approve. You may use and display such Trademarks only in connection with the operation of the Tea Shop and in compliance with our Standards. You may only use our Wanpo Trademarks on vehicles if you first obtain our written consent.

2. You may not use the Trademarks to advertise or sell products or services through the mail or by any electronic or other medium, including the Internet, without our prior written approval. Our right of approval of any Internet usage of our Trademarks includes approval of the domain names and Internet addresses, website materials and content, and all links to other sites. We have the sole right to establish an Internet "home page" using any of the Trademarks, and to regulate the establishment and use of linked home pages by our franchisees. Furthermore, we

reserve the right to set up the social media account name to your store, such as a Facebook fan page.

3. You acknowledge that all copyrights and other proprietary rights of the Trademarks are exclusively owned by us. You will only use such rights for the operation of Tea Shop at the Site and will not change or modify the Trademarks or its derivatives, or claim any copyrights or other proprietary rights for the Trademarks or its derivatives. Franchisee will not register, in whole or in part, within the US or in any other areas, the Trademarks or other trademarks, marks, logos, or designs similar or confusingly similar to the Trademarks. Unless stated otherwise in this Agreement, Franchisee will not, at anytime, declare that it has any rights or qualification over the Trademarks, and will not cause any damage to the intellectual property rights of Franchisor, nor will Franchisee cause any third parties to do the same.
4. You cannot use the names "Wanpo" or "萬波", any of our company names, Trademarks, or anything confusingly similar as part as part of a corporate, limited liability company, other entity name, e-mail address, electronic identifier, or internet domain name. For example, your business name may not include any of our company names or Wanpo Trademarks or any variation of them and you may not use your name in connection with our Wanpo Trademarks in advertising your Tea Shop (such as "John Smith's Wanpo"). In all approved uses of the Trademarks on your business forms such as your letterhead, invoices, order forms, receipts, and contracts, you must identify yourself as our franchisee and your business as independently owned and operated.
5. You agree to notify us promptly of any litigation relating to the Trademarks. In the event we undertake the defense or prosecution of any such litigation, you agree to execute any and all documents and do such acts and things as may be necessary, in the opinion of our counsel, to carry out such defense or prosecution.
6. Prior to the manufacturing of the merchandise under the Trademarks, you will provide the concepts and art designs (including the draft and final proposal) of such merchandise and the three-dimensional model thereof for our approval, provided, however, our approval or consent does not guarantee that the abovementioned material or model as provided by you are in compliance with the applicable laws. In the event of violation of any applicable law, you will be held solely liable. All containers, packages, labels, display materials, promotional materials, catalogs and advertisements (including but not limited to press release) which Franchisee intends to use under the Agreement will be provided to Franchisor for its written approval prior to the use or utilization thereof.
7. Franchisee agrees that upon the expiration or termination of this Agreement, Franchisee will neither by itself nor authorizes others to manufacture the licensed merchandise. All art designs (including but not limited to any diagrams, drawings or three-dimensional models) provided by Franchisor or created by Franchisee under this Agreement will be returned to Franchisor.

Article 8. <u>Sources of Raw Materials and Supplies</u>

1. The reputation and goodwill of Wanpo System is based upon, and can be maintained only by, the sale of high quality products. A list of approved suppliers is available on request. Suppliers are required to share shipping, distribution and all other information with us, and you will be required to cooperate. You and/or the supplier may request approval by submitting the request to us in writing. All requests will be reviewed in accordance with our then-current procedures

and we will take into consideration our available resources, which may affect the timing of our response. The supplier must meet our then-current specifications, standards and requirements, which may include signing a non-disclosure agreement and a guarantee of performance. We may change our specifications, standards and requirements at any time. There is no limit on our right to do so. If the supplier that you propose is initially approved or disapproved, we will notify you and the supplier within thirty (30) to sixty (60) days depending on the nature of the products or services. We may withdraw our approval at any time if the supplier's performance does not meet our criteria, we change our specifications, standards or requirements or other reasons. You or the supplier will be required to reimburse us for all costs that we incur in the testing and approval process whether the supplier is approved or not.

2. All food products, supplies, equipment and materials of your Tea Shop and services to your Tea Shop must meet our specifications, standards, and requirements. You must purchase these items from suppliers that we approve in writing. In case of any violation, you will pay a liquidated damage equals to US$10,000 for each violation.

Article 9. <u>Books, Records, and Reports</u>

1. You are required to keep business records in the manner and for the time required by law, and in accordance with generally accepted accounting principles. You are required to keep any additional business records that we specify from time to time, in the manner and for the time we specify. All records must be capable of being reviewed by us without special hardware or software. You must retain copies of each state and federal tax return for the franchised business for a period of 2 years.

2. Within 10 business days from our request and at our option, you agree to (a) photocopy and deliver to us those required records that we specify, or (b) at a location acceptable to us, provide us access to any required records that we specify for examination and photocopying by us. If after we review your business records, which include your business tax returns, we believe that underreporting of Gross Monthly Sales may have occurred, then upon request, you must pay us back the underreported royalties within 5 days of receiving our notice, and we reserve the right to terminate this Agreement immediately without further notice.

3. We will keep any records you provide to us that contain confidential information of yours confidential, provided such records are marked confidential and, by their nature, would be considered by a reasonable person to be confidential, but we may release information to any person entitled to it under any lease, to a prospective transferee of the Tea Shop, in connection with anonymous general information disseminated to our franchisees and prospective franchisees, in the formulation of plans and policies in the interest of the Wanpo System, or if required by law or any legal proceeding.

Article 10. <u>Insurance</u>

1. Prior to opening or operating the Tea Shop for business, and prior to constructing the Tea Shop in the event you are developing the Tea Shop, you agree to acquire insurance coverage of the type and in the amounts required by law, by any lease or sublease, and by us, as prescribed in our Standards or as described herein. You must maintain such coverage in full force and effect throughout the duration of this Agreement. We have the right to change requirements from time to time. All insurance must be placed and maintained with insurance companies with

ratings that meet or exceed our Standards. At our request, you must provide us with proof of required insurance coverages.

2. You must provide commercial general liability coverage with minimum limits in the amount of $2,000,000 per occurrence. Failure to maintain such insurance may result in loss of your franchise and additional financial obligations.

Article 11. Franchisee's Representation and Warranties

You will save, defend, indemnify and hold us and our successors and assigns harmless, from and against (i) any and all claims based upon, arising out of, or in any way related to your breach of this Agreement or any agreements between you or your affiliates and us or our affiliate; and (ii) any and all expenses and costs (including reasonable attorney's fees) incurred by or on behalf of us in the defense against any and all such claims.

Article 12. Franchisor's Obligations

1. We will maintain a continuing advisory relationship with you by providing such assistance as we deem appropriate regarding the development and operation of the Tea Shop. We may require that you designate a fully-trained person as our primary contact.
2. We will advise on the selection of the Tea Shop's site as well as its construction, design, layout, equipment, maintenance, repair and remodeling. We will advise on the training of managers and crew personnel; on marketing and merchandising; on inventory control and record-keeping; and on all aspects of Tea Shop operations.
3. In support of our advisory relationship, we will make available to you our then-current operations manuals setting out our Standards, together with explanatory policies, procedures and other materials to assist you in complying with those Standards. We will continue our efforts to maintain high and uniform standards of quality, cleanliness, appearance and service at all Tea Shops.

Article 13. Term and Renewal

1. Term. The Agreement will be effective and binding for a period of five (5) years from the Effective Date (the "Term"), unless terminated earlier in accordance with Article 17 or by mutual agreement or renew in accordance with this Article. It will be terminated automatically without further notice at the end of the Term.
2. Conditional Renewal of Franchise. This Agreement will not automatically renew upon the expiration or early termination of the Term. You have an option to renew the Franchise upon the expiration of the Term for additional term of three (3) years (the "Renewal Term") if, and only if, each and every one of the following conditions have been satisfied:
    a. You give us written notice of your desire to renew the Franchise at least twelve (12) months prior to the end of the Term;
    b. You are not, when notice is given, and do not become prior to the expiration or early termination of the Term, in default of any provision of this Agreement or any other agreement between you and us or your subsidiaries or affiliates or with any other creditor or supplier of the Tea Shop or lessor or sub-lessor of the Tea Shop, and you have maintained the most current Standards;

c. and you will have fully and faithfully performed all of its obligations under this Agreement and all such other agreements throughout their terms;

d. You must execute and deliver to us, within 10 business days (or any longer period required by law) after delivery to you, the then-current form of Franchise Agreement being offered to new franchisees at the time of renewal, including all exhibits and our other then-current ancillary agreements, which will supersede in all respects the terms and conditions of this Agreement and may contain terms and conditions substantially different from those set forth herein, including, without limitation, an increase in Royalty or marketing funds or a change in the Protected Territory.

e. The Renewal Fees structure is as follows:
Average Audit Score of all the Wanpo Tea Shops in the Protected Territory
    i. above 90 and above: 0%~20% of the Franchise Fees
    ii. between 85 and 90: 20% of the Franchise Fees
    iii. between 80 and 85: 30% of the Franchise Fees
    iv. between 70 and 80: 50% of the Franchise Fees
    v. below 70: will not be offering renewal.

f. We approve the terms of any lease extension or new lease covering the Renewal Term, whether the lease for the Site is with our affiliate or us or with a third party, including a third party in which you have an interest; or you provide us with evidence that you have the right to remain in possession of the Site or to secure and develop a suitable alternative site acceptable to us for the Renewal Term; and

g. Prior to entering into the successor Franchise Agreement, we may request you and/or your supervisory and operational manager(s) to attend and successfully complete to our reasonable satisfaction any retraining program we may require, at your sole expense.

Article 14. <u>Assumption and Transfer of Rights</u>

1. A "transfer" by you is any sale, assignment, transfer, conveyance, gift, pledge, mortgage or other encumbrance of any interest in either this Agreement, the franchise itself, or any proprietorship, partnership, limited liability company ("LLC") or corporation which owns any interest in the franchise, to any person, persons, partnership, association, LLC or corporation, whether by contract, operation of law or otherwise.

2. <u>Transfer by Us</u>: This Agreement inures to the benefit of our successors and assigns, and we may assign our rights to any person or entity that agrees in writing to assume all of our obligations without your approval. Upon transfer, we will have no further obligation under this agreement, except for any accrued liabilities.

3. <u>Transfer by You</u>: We entered into this Agreement based on your qualifications. You may transfer a direct or indirect interest in this Agreement, but the Site and the associated rights and obligations are a package and are not themselves divisible in any way. Any transfer requires our prior written consent, which will not be unreasonably withheld. In the event a person holding a direct or indirect interest dies, that person's legal representative must, within six (6) months of the event, apply in writing to transfer that interest with notice to all other persons having a direct or indirect interest in this Agreement.

4. Transfer Fee: At the time of transfer, you must pay us a Transfer Fee of $10,000.

5. Right of First Refusal: In the event that you desire to sell, assign, or transfer any of your interest in the Tea Shop, you will give us prior six-month written notice of such desire, setting forth in such notice all of the details of such contemplated sale, assignment or transfer, including without limitation thereto, the price, currency, terms and conditions of such proposed transaction and the identity and address of the proposed purchaser or transferee. We will have 14 calendar days after receipt of such notice to exercise in writing our right of first refusal option to purchase your interest with the terms and conditions mutually agreed by the Parties. If the Parties cannot reach consensus of the terms and conditions within fourteen (14) calendar days of the above notice, then we will evaluate whether we would approve such transfer pursuant to Article 14.3.

Article 15. Forbidden to Engage in Competition

You agree that you will receive valuable training and Confidential Information that you otherwise would not receive or have access to but for the rights licensed to you under this Agreement, and you have received the right to operate a Wanpo system. You therefore agree to the following noncompetition covenants:

1. Unless otherwise specified, the term "you" as used in this Article includes, collectively and individually, all spouses and family members of any shareholders, members, principal owners, guarantors, officers, directors, managers, partners, as the case may be, and holders of any ownership interest in you. We may require you to obtain from your manager and other individuals identified in the preceding sentence a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this Article.

2. You agree that during the term of this Agreement, or during any Renewal Term, you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competitive Business (as defined below) other than one authorized by this Agreement or any other agreement between us and you.

3. You agree that you will not, for a period of two years after the expiration or termination of this Agreement, or after the expiration or termination of any Renewal Term, regardless of the cause of termination, or within one year of the sale of the Tea Shop or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in a Competitive Business at the Site of the former Tea Shop and within a 5-mile radius of the Site. For purposes of this Article, a "Competitive Business" includes any business where 50% or more of its sales include the sale of gourmet coffees and teas, coffee or tea-based beverages, bubble tea.

4. You agree that the length of time in this Article will be tolled for any period during which you are in breach of the covenants or any other period during which we seek to enforce this Agreement. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.

5. In the event you violate this Article, you will pay us a liquidated damage of US$10,000 for each violation, all gains you have derived from the violation, and immediate cease of all competing activities. You agree that a breach of the covenants contained in this Article will be

deemed to threaten immediate and substantial irreparable injury to us and give us the right to obtain immediate injunctive relief without limiting any other rights we might have.

Article 16. <u>Confidentiality obligations</u>

1. All information, including but not limited to the information relating to Wanpo System and other technologies, formulation, recipes, manufacturing methods, programs, pricing structures, marketing strategy, and store designs are our trade secret (the "Confidential Information"). Confidential Information further includes any information that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, 3rd parties who can obtain economic value from its disclosure or use, and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. You expressly acknowledge that your relationship with us does not vest in you any interest in the Confidential Information other than the right to use it in the development and operation of the Tea Shop. Use or duplication of Confidential Information in any other business would constitute an unfair method of competition.
2. You, who have been made to know or in possession of the foresaid Confidential Information by joining the franchise, are only allowed to utilize said Confidential Information insofar as it is necessary for the execution of the Agreement. At all times both during the term of this Agreement and after expiration or earlier termination of this Agreement for any reason, you (and your directors, officers, employees, representatives, managers, shareholders, members, partners or other equity owners) will take all the necessary steps to prevent the unauthorized disclosure of the Confidential Information to any third party, with the exception of sub-franchisees who will also be subject to the confidentiality obligations to us under the sub-franchise agreements. Such obligation will continue for 2 years following the expiration or early termination of this Agreement.
3. In the event you violate this Article, you will pay us a liquidated damage of US$10,000 for each violation plus all gains you have derived from the violation. If you fail to remedy such violation, we may, at our sole discretion, terminate the Agreement immediately without further notice.
4. This Article will survive expiration or termination of this Agreement.

Article 17. <u>Termination</u>

1. This Agreement may be terminated with immediate effect by mutual written agreement by both Parties.
2. In addition to your right to terminate the agreement upon any grounds available by law and other right of termination as stated in this Agreement, in the event that any one of the following has occurred, we are entitled to, by providing a prior 180-days written notification to rescind, terminate, or refuse renewal of this Agreement and claim against you for damages incurred thereby as a result:
    a. you default on a monetary obligation to us and do not cure the default within 30 days from the date you receive our written notice to cure (if state law requires a longer cure period, then that longer period will apply);
    b. you default on any other provision of this Agreement, or any agreements between you or your affiliates and us or our affiliates, and do not cure the default within 30

days from the date you receive our written notice to cure (if state law requires a longer cure period, then that longer period will apply);

c. you have experienced a change of control (a change of control does not occur if you retain more than 50% of the shares after the transfer, or if all of the interests transfer to your spouse(s) or children or to your beneficiaries or heirs in the event that you die or become mentally incapacitated); or

d. you challenge the validity of the Trademarks, marks, trade names, service logos, graphic configurations, emblems, apparels and designs of the Wanpo System;

e. if you are convicted of or plead guilty or no contest to a felony or crime of moral turpitude; or

f. if you commit a fraud upon any of our affiliate(s) or us.

3. If we terminate this Agreement or upon the expiration of this Agreement, then

    a. you must immediately pay us all unpaid Franchise Fees, Royalty payment, or any amount due, without reduction or offset, even if you did not open any or all of the Tea Shop;

    b. all rights granted pursuant to this Agreement will cease immediately without further notice;

    c. you will co-operate with us in the cancellation of any licenses or registrations registered with you or under your name, if any, and will execute such documents and do all acts and things as may be necessary to effect such cancellation;

    d. you will return to us promptly, at your sole expense, all records and copies of promotional materials or objects in its possession relating to the Wanpo System, and of any information of a confidential nature communicated to you by us or our affiliates pursuant to, in connection with, or arising from this Agreement.

4. The expiration or termination of this Agreement will not affect any provision of this Agreement that expressly or by implication is intended to come into or continue in force on or after termination or expiry of this Agreement, and will remain in full force and effect.

5. Termination or expiration of this Agreement will not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination or expiration, including the right to claim liquidated damages in respect of any breach of the Agreement which existed at or before the date of termination or expiration.

Article 18. <u>Dispute settlement</u>

Whenever this Agreement or any related agreement grants, confers or reserves to us the right to take action, refrain from taking action, grant or withhold our consent or grant or withhold our approval, unless the provision specifically states otherwise, we will have the right to engage in such activity at our option, taking into consideration, our assessment of the long term interests of the Wanpo System overall. You and us recognize, and any court or judge is affirmatively advised, that if those activities and/or decisions are supported by our business judgment, neither said court, said judge nor any other person reviewing those activities or decisions will substitute his, her or its judgment for our judgment. When the terms of this Agreement specifically require that us not unreasonably withhold our approval or consent, if you are in default or breach under this Agreement, any withholding of our approval or consent will be considered reasonable.

The Agreement has been entered into in accordance with laws of Taiwan, and all questions with respect to the construction of this Agreement and the rights and liabilities of the parties will be governed by the laws of Taiwan without regard to its conflicts of laws, and excluding the application of the United Nations Convention on Contracts for the International Sale of Goods 1980.

Any dispute, disagreement, controversy or claim arising out of or in connection with this Agreement ("Dispute") will be settled by the parties through mutual good-faith discussions. If the parties are unable to do so within 60 days after the complaining party's written notice to the other party, the parties will then seek to resolve the dispute through non-binding mediation conducted in Taiwan. Each party must bear its own expenses in connection with the mediation and must share equally the fees and expenses of the mediator. If the parties are unable to resolve the dispute within 60 days after commencing mediation, either party may commence litigation in the applicable courts in Taiwan. Notwithstanding the commencement of such dispute resolution, the Parties will continue to perform their obligations hereunder.

Article 19. <u>Waiver/Integration</u>

No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify the operations manuals and/or the Standards and as otherwise provided herein, this Agreement may not be waived, altered or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices hereto and the application form executed by you requesting us to enter into this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Disclosure Document we furnished to you. You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

Article 20. <u>Miscellaneous</u>

1. An event of Force Majeure will mean an event where you are unable to perform any portion this Agreement by any prevention, delay, or stoppage caused by strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes for those items, government actions, civil commotions, fire or other casualty, or other causes beyond your reasonable control.

2. You are an independent contractor of ours. Neither party to this Agreement has the power to bind the other. Neither party is liable for any act, omission, debt or any other obligation of the other, and you and we agree to indemnify and save each other harmless from any such claim and the cost of defending such claim.

3. The waiver by either party of a breach of any provision of this Agreement applies only to that one breach and only to that one provision.
4. If we accept payments from any person or entity other than you, such payments will be deemed made by such person as your agent and not as your successor.
5. If, for any reason, any provision of this Agreement is determined to be invalid or to conflict with an existing or future applicable law, then the remaining provisions will continue to bind the parties and the invalid or conflicting provision will be deemed not to be a part of this Agreement.
6. Our rights and remedies are cumulative.
7. Neither you nor your successor may create or assert any security interest or lien in this Agreement.
8. This Agreement and the documents referred to herein will be the entire, full and complete agreement between you and us concerning the subject matter of this Agreement, which supersedes all prior agreements.
9. Nothing in this Agreement is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.
10. This Agreement may only be modified by the parties in writing.
11. All notices will be sent by prepaid private courier or certified mail to the addresses specified below, or to such other addresses as you and we provide each other in writing.

To Wanpo	**To Franchisee**
Attention:	*Attention*:
Address: No.1-3-1, Xinxing Rd. Xitun Dist., Taichung City Taiwan 407	Address:
Tel:	Tel:
Fax:	Fax:
Email:	Email:

12. Your success in this business is speculative and depends, to an important extent, upon your ability as an independent business owner. We do not represent or warrant that locations we approve will achieve a certain level of sales or be profitable. If we provide maps, demographics or other information to you in connection with the Site, we do so without any representation or warranty that the information is complete, accurate or current. We do not represent that you will be able to find or secure appropriate location or that you will be able to develop the Tea Shop. You further acknowledge and understand that we make no representation, promise, warranty, or guarantee, express or limed, that the Tea Shop operates at the approved Site will be profitable or otherwise successful. By your signature below, you acknowledge that you have entered into this Agreement after making an independent investigation of the Wanpo System and the Site.
13. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any

franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

In Witness Whereof, the parties have been given full understanding as to the extent of the Agreement and do so by acknowledging with due signature and endorsement by authorized signatories from the parties as provided below.

AIM GOOD USA Corporation	___________________________________
Signature: _________________________	Signature: _________________________
Name: 張庭偉 Ting-Wei Chang	Name: _________________________
Title: President	Title: _________________________
Date: _________________________	Date: _________________________

Exhibit A

Audit Inspection Sheet

一、品質衛生 Quality & Hygiene 得分 Score:

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
Q01	門市內冷藏原物料，半成品皆有確實標示保鮮期效並於期限內售完? Are the refrigerated raw materials and semi-finished products in the store clearly marked with the expiration date and sold within the following periods: 3 小時 （波霸、原茶） 3 hours (boba, raw tea)； 24 小時（水果片丁、葡萄柚原汁、檸檬原汁、混和後紅豆粉粿）24 hours (cut fruit, grapefruit juice, lemon juice, mixed red bean jelly)； 48 小時（退冰後紅豆粉粿、百香原汁、甘蔗原汁、冷泡紅）48 hours (mixed red bean jelly after defrosting, passion fruit juice, sugar cane juice, cold-brewed black tea)； 72 時（仙草甘茶、冬瓜茶、洛神花茶、仙草凍、愛玉凍、梅汁、二砂糖漿）72 hours (grass jelly tea, winter melon tea, roselle/hibiscus tea, grass jelly, aiyu jelly, plum juice, sugar syrup)。		8%
Q02	門市內應由總部所提供的原物料，是否均為總部提供之原物料? Are the raw materials used in the store that shall be provided by franchisor are the raw materials provided by the franchisor?		4%
Q03	門市內協力廠商所提供的原物料，是否使用總部同意之品牌? Are the raw materials used in the store that are provided by third party are from the brands authorized by the franchisor?		4%
Q04	門市內販售的飲品是否為公司所上架之飲品、產品供應是否齊全、有無斷貨? Are the beverages sold in the store that are authorized by the franchisor, are the products' offering complete, and there are no out-of-stocks items?		3%
Q05	原物料外包裝是否標示進貨日期，擺放是否整齊、庫存量是否合理? Are the outer packaging of the raw materials marked with the date of purchase, whether the display is organized, and whether the inventory level is reasonable?		3%
Q06	原物料是否在有效期限內? ex：鮮乳、愛玉、茶品保鮮時間。檯面上物料是否足夠冰鎮（冰塊量）於 7 度 C 以下、加蓋		3%

	Are the raw materials within the expired period (such as fresh milk, aiyu, and tea products' retention time)? Whether the food material on the working table is properly refrigerated, with sufficient volume of ice, and are kept below 7°C and covered?		
Q07	吧台五金器具是否保持清潔且維持整潔、無損壞、無茶垢。ex：量杯、雪克杯、抹布、濾茶布、煮茶鍋、茶桶等? Are the bar hardware (such as measuring cup, shaker, kitchen rag, tea filter cloth, tea pot, or tea bucket) kept clean and organized, and without damage or tea stains?		2%
Q08	廚房五金器具是否保持清潔且維持整潔無損壞（電磁爐、煮茶計時器、電子磅秤等）? Is kitchen hardware (such as electronic stovetop, tea timer, or electronic scale) kept clean and organized and without damage?		2%
Q09	封口機清潔是否確實，無汙染飲品封杯? Is the sealing machine properly cleaned and not polluting the beverage?		2%
Q10	冰槽、水槽、水龍頭是否做好清潔，無茶垢, 水垢? Are ice sinks, water sinks, and faucets clean and free of tea scale and limescale?		1%
Q11	工作檯面是否保持乾淨清潔、無水垢、茶垢與清潔用品? Is work desk clean and free of limescale, tea scale, and detergent?		1%
Q12	門市冰箱內部無擺放非營業用之雜物，且保持期內部及門面外觀整潔，並區分員工專區 There are no non-operating sundries inside the refrigerators in the store, and the interior and exterior of the store should be kept clean and organized, and there should be a separate area for employees.		2%
Q13	人員指甲是否過長、不可塗指甲油、不可帶手飾、手錶、垂掛式飾品 Whether the staff's finger nails are of proper length and without nail polish, that the employees do not wear jewelry, watches, or any hanging jewelry.		1%
Q14	半成品、飲品製作是否都按公司 SOP，無自行更換配方與做法? 泡茶計時器時間設定是否正確? Are semi-finished products and beverages produced in accordance with the franchisor's SOP, without unilaterally changing the recipes or the process? Does the tea brewing timer set correctly?		4%
Q15	茶桶、不銹鋼鍋、食器與各類半成品食材、包材擺放是否離地 5 公分?所有垃圾桶是否加蓋? Are tea buckets, stainless steel pots, food utensils, and various semi-finished products and packaging materials placed 5 cm above the ground? Are all trash bins covered?		2%

Q16	抹布是否有分區域，無混合使用，杯身清潔，打熱機，獨立分色? Are the rags used in different areas remained separated? For example: the cup cleaning rag and the heating machine rags are different color?		2%
Q17	人員接觸食材是否戴手套、生鮮食材是否盡速冷藏（半成品、分裝品）？ Do staff wear gloves when touching raw materials, and are fresh raw materials (regardless whether they are semi-finished products or repackaged into smaller packages) refrigerated as soon as possible?		1%
Q18	水果類是否擺放於冰箱內、如常溫保存是否離地面 5 公分? Are the fruits placed in the refrigerator or if stored at room temperature are stored 5 cm above the ground?		3%

二、人員服務 Service

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
S01	人員服裝儀容是否達總部要求（長髮需束髮、男生鬍子整理乾淨、著規定制服並保持乾淨、無違反衛生管理要求）？ Do the staff's clothing and grooming meet the franchisor's requirements (such as long hair needs to be tied, facial hair must be property trimmed, must wear uniforms and uniforms must be kept clean, and there is no violation of hygiene management standard)?		3%
S02	POS 點單人員能親切招呼, 且門市人員皆能立即致歡迎光臨詞。顧客完成消費離開時，能立即致上歡送詞，且聲調開朗、親切、熱情。 The staff operates the POS system should greet customer cordially, and the front of the house staff should immediately give the welcome greeting. When customer finishes shopping and leaves, they should immediately give the farewell greeting in a cheerful, cordial and enthusiastic tone.		3%
S03	POS 點單人員向顧客確認點單飲品及消費金額，並向顧客複誦收取現金金額及找零金額? Does the staff who operate the POS system confirm the ordered drink and the purchase amount with the customer, and read the received cash amount and change amount to the customer?		2%
S04	POS 點單人員收銀話術正確、落實面銷、行銷介紹，電話禮儀是否良好? Does the staff who operate the POS system use correct shoptalk when conducting cashier transaction, implementing face-to-face sales technique and product introductions? Is the telephone etiquette acceptable?		2%
S05	充分關注顧客動向（排隊、等茶），並積極處理、不讓顧客久候。		2%

	Pay full attention to customer movement (queuing to make order or to pick up order), and actively manage the customer movement to prevent long waiting time.		
S06	出杯時杯身擦拭乾淨，包裝、叫號、應對禮貌合宜。 When handling the beverage to customer, wipe the body of the cup clean, package the product, call the customer, and conduct oneself politely.		2%

三、環境清潔 Cleanliness

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
C01	門市內外走道、顧客通道、騎樓、窗台、玻璃等能保持其整潔暢通，無盆栽或堆放凌亂雜物。 The inside and outside aisles, customer passages, arcades, windowsills, glass, etc. of the store can be kept clean and unobstructed, without potted plants or piled up messy debris.		3%
C02	櫃檯檯面，收銀機，文宣製作物是否保持清潔乾淨、正確性、無雜物擺設? Are the countertops, cash registers, and promotional materials kept clean, correct, and free of sundries.		3%
C03	門市內牆面皆能保持整潔，且無張貼不合規定之文宣、海報或手繪、塗鴉等字樣。 The walls of the store can be kept clean and organized, and no illegal propaganda, posters, hand-painted, graffiti and other words are posted.		2%
C04	門市地板、倉儲空間、布簾（幕）、廁所、貨架能保持地面完整性及其乾燥整潔。 Store floors, storage spaces, curtains, toilets, and shelves can maintain the integrity of the ground and keep it dry and organized.		4%
C05	門市內燈泡、各式燈箱能保持明亮及外觀整潔、完整性，並於營業時間內全程開啟。 The bulbs and various light boxes in the store can be kept bright and the appearance is clean and complete, and they can be turned on throughout the business hours.		2%
C06	門市內天花板、牆面、牆角能有效維護外觀整潔，無蜘蛛網。 The ceilings, walls and corners of the store can effectively maintain a clean appearance without cobwebs.		2%
C07	各工作檯面無擺放非營業性物品、私人物品、清潔用品等，用具擺放整齊不凌亂。		1%

	No non-commercial items, personal items, cleaning supplies, etc. are placed on each working desk, and the utensils are neatly placed and not messy.		
C08	清潔表單是否落實執行與填寫? Is the cleaning form implemented and filled out?		1%

四、設備保養 Maintaince of Equipment

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
E01	製冰機、開水機、各式冰箱（含散熱器）、營業設備皆能保持其內部及外觀整潔、正常運作。 Ice machines, water machines, all kinds of refrigerators (including radiators), and business equipment keep their interiors and exterior appearances clean and in normal operation.		3%
E02	製冰機產出冰塊是否合乎標準大小、清澈度、密度，濾心更換週期是否正確並紀錄? Do the ice cubes produced by the ice maker meet the standard size, clarity, and density, and is the filter replacement properly replaced and the cycle accurately recorded?		2%
E03	糖機流量是否正確? Is the sugar machine’s flow correct?		3%
E04	封口機封膜是否完整、軌道是否有上黃油、封膜位置是否正確? Is the seal produced by the sealing machine secured, are the rails oiled, and is the sealing film position correct?		2%
E05	封口機安全門運作是否正常? Does the sealing machine’s safety device operate properly?		2%

五、營運管理 Operation

項次 No.	評核項目 Audited Items	是否合格 Pass	占比 %
O01	營業時間、音樂播放、形象擺設（不得有與品牌形象無關的雜物或卡通擺設）是否正確?		2%

	Are the business hours, background music, and decorations (no items or cartoon decorations not related to the brand image) correct?		
O02	試茶表、衛生管理表、開閉店流程表、各項店務管理表單是否落實填寫、落實執行? Are the tea test forms, hygiene management forms, store opening and closing process forms, and various store management forms completed and implemented?		2%
O03	排班工時、人數、戰力搭配是否正確? 供應速度良好、人員不過勞不閒置。 Are the working hours, number of staff, and resource allot correctly? The turnover is acceptable, and the staff are not either overworked nor idle.		2%
O04	上次稽核時應改善事項是否已完成? Were items that need improvement completed following the last audit?		2%
O05	______月份目前實際達成 ___________ _____，杯單價 _______，外送占比_____%，日平均營收_______。 The actual revenue realization rate in [month] as of today is ___________ _____, average cup unit price is ___________, delivery ratio is _______%, and daily average revenue is _______.		

Exhibit D

Directory of Administrative Agencies and Service of Process

California
Department of Financial Protection and Innovation
2101 Arena Boulevard Sacramento, CA 95834
(916)445-7205
Los Angeles
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7514

Sacramento
2101 Arena Blvd., Sacramento, CA 95834
(916) 445-7205

San Diego
1455 Frazee Road, Suite 315
San Diego, CA 92108
(619) 610-2093

San Francisco
One Sansome Street, Suite 600
San Francisco, California 94104
(415) 972-8565

Hawaii
(for service of process)
The Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(state agency)
The Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Regulation Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 382-4465

Indiana
(for service of process)
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)
Indiana Secretary of State
Securities Division, Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

Maryland
(for service of process)
Maryland Securities Commissioner at the Office of Attorney General
Securities Division
20th Floor, 200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(state agency)
Office of the Attorney General – Securities Division
20th Floor, 200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

Michigan
(for service of process)
Michigan Department of Commerce
Corporations and Securities Bureau
PO Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

(state agency)
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 G Mennen Williams Building
525 West Ottawa, 1st Floor
Lansing, Michigan 48933-1105
(517) 373-7117

Minnesota
Minnesota Department of Commerce
Commissioner of Commerce
85 7th Place East, Suite 280
St Paul, Minnesota 55101
(651) 539-1500

New York
(for service of process)
Secretary of the State of New York
99 Washington Avenue
Albany, New York 12231
(518) 474-4750

(state agency)
New York State Department of Law
Investor Protection Bureau
28 Liberty St. 21st Floor,
New York, NY 10005
(212) 416-8222

North Dakota
North Dakota Securities Department
Fifth Floor 600 East Boulevard
Bismarck, North Dakota 58505
(701) 328-2910

Oregon
Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 338-4140

Rhode Island
Division of Securities
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9582

South Dakota
South Dakota Department of Labor and Regulation
Division of Securities
445 E Capitol
Pierre, South Dakota 57501
(605) 773-4823

Virginia
(for service of process)
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

Washington
(for service of process)
Director Department of Financial Institutions
Washington Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

(for other matters)
Department of Financial Institutions
Securities Division
PO Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

Wisconsin
Commissioner of Securities
Wisconsin Department of Financial Institutions
345 West Washington Avenue, 4th Floor
Madison, Wisconsin 53703
(608) 266-1064

Exhibit E

The State of California Addendum

Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise to be delivered together with the franchise disclosure document.

"The franchisor, any person or franchise broker in Item 2 of the FDD is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange."

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONERNIN THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

a. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchise 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.

b. 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.).

c. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

d. The franchise agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

e. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside of the State of California.

f. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporation Code Section 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Section 20000 through 20043.).

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

~~Exhibit F~~

~~Acknowledgment Addendum to Unit Franchise Agreement~~

~~ACKNOWLEDGMENT ADDENDUM TO~~
~~WANPO UNIT FRANCHISE AGREEMENT~~

~~As you know, you and we are entering into a Unit Franchise Agreement for the operation of a Wanpo franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.~~

~~Acknowledgments and Representations.~~

1. ~~Did you receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) at least fourteen calendar days prior to signing the Unit Franchise Agreement? Check one: ( ) Yes ( ) No. If no, please comment:~~

2. ~~Have you studied and reviewed carefully our Franchise Disclosure Document and Unit Franchise Agreement? Check one: ( ) Yes ( ) No. If no, please comment:~~

3. ~~Did you understand all the information contained in both the Franchise Disclosure Document and Unit Franchise Agreement? Check one ( ) Yes ( ) No. If no, please comment:~~

4. ~~Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Franchise Disclosure Document? Check one: ( ) No ( ) Yes. If yes, please state in detail the oral, written or visual claim or representation:~~

5. ~~Except as stated in Item 19 of the Franchise Disclosure Document, did any employee or other person speaking on behalf of Aim Good USA Corporation make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Wanpo tea shop location or business, or the likelihood of success at your franchised business? Check one: ( ) No ( ) Yes. If yes, please state in detail the oral, written or visual claim or representation:~~

6. ~~Did any employee or other person speaking on behalf of Aim Good USA Corporation make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document? Check one: (__) Yes (__) No. If yes, please comment:~~

7. ~~Do you understand that that the franchise granted is for the right to operate a Wanpo tea shop at the approved site only and that we and our affiliates have the right to issue franchises or operate competing businesses for or at locations, as we determine, other than the approved site? Check one: (__) Yes (__) No. If no, please comment:~~

8. ~~Do you understand that the Unit Franchise Agreement and Franchise Disclosure Document contain the entire agreement between you and us concerning the franchise for the Wanpo system, meaning that any prior oral or written statements not set out in the Unit Franchise Agreement or Franchise Disclosure Document will not be binding? Check one: (__) Yes (__) No. If no, please comment:~~

9. ~~Do you understand that the success or failure of your Wanpo tea shop will depend in large part upon your skills and experience, your business acumen, your location, the local market for products under the Wanpo trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Wanpo tea shop may change? Check one (__) Yes (__) No. If no, please comment:~~

10. ~~Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in the Unit Franchise Agreement and that an injunction is an appropriate remedy to protect the interest of the Wanpo system if you violate the covenant(s)? Further, do you understand that the term "you" for purposes of the non-compete covenants is defined broadly in the Unit Franchise Agreement, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Unit Franchise Agreement? Check one (__) Yes (__) No. If no, please comment:~~

11. ~~On the receipt pages of your Franchise Disclosure Document you identified~~

~~as the franchise sellers involved in this franchise sales process. Are the franchise sellers identified above the only franchise sellers involved with this transaction? Check one (__) Yes (__) No. If no, please identify any additional franchise sellers involved with this transaction:~~

~~YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.~~

~~NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.~~

~~The acknowledgement does not apply in the State of California and California franchisees are not required to sign the acknowledgement.~~

~~Exhibit G~~

~~Acknowledgment Addendum to Area Development Franchise Agreement~~

~~ACKNOWLEDGMENT ADDENDUM TO~~
~~WANPO Area Development Franchise Agreement~~

~~As you know, you and we are entering into an Area Development Agreement for the operation of a Wanpo franchise. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.~~

~~Acknowledgments and Representations.~~

1. ~~Did you receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) at least fourteen calendar days prior to signing the Area Development Franchise Agreement? Check one: ( ) Yes ( ) No. If no, please comment:~~

   ____
   ____

2. ~~Have you studied and reviewed carefully our Franchise Disclosure Document and Area Development Franchise Agreement? Check one: ( ) Yes ( ) No. If no, please comment:~~

   ____
   ____

3. ~~Did you understand all the information contained in both the Franchise Disclosure Document and Area Development Franchise Agreement? Check one ( ) Yes ( ) No. If no, please comment:~~

   ____
   ____

4. ~~Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Franchise Disclosure Document? Check one: ( ) No ( ) Yes. If yes, please state in detail the oral, written or visual claim or representation:~~

   ____
   ____

5. ~~Except as stated in Item 19 of the Franchise Disclosure Document, did any employee or other person speaking on behalf of Aim Good USA Corporation make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Wanpo tea shop location or business, or the likelihood of success at your franchised business? Check one: ( ) No ( ) Yes. If yes, please state in detail the oral, written or visual claim or representation:~~

   ____
   ____

6. ~~Did any employee or other person speaking on behalf of Aim Good USA Corporation make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the~~

~~information contained in the Franchise Disclosure Document? Check one: (__) Yes (__) No. If yes, please comment:~~

7. ~~Do you understand that that the franchise granted is for the right to operate a Wanpo tea shop at the approved site only and that we and our affiliates have the right to issue franchises or operate competing businesses for or at locations, as we determine, other than the approved site? Check one: (__) Yes (__) No. If no, please comment:~~

8. ~~Do you understand that the Area Development Franchise Agreement and Franchise Disclosure Document contain the entire agreement between you and us concerning the franchise for the Wanpo system, meaning that any prior oral or written statements not set out in the Area Development Franchise Agreement or Franchise Disclosure Document will not be binding? Check one: (__) Yes (__) No. If no, please comment:~~

9. ~~Do you understand that the success or failure of your Wanpo tea shop will depend in large part upon your skills and experience, your business acumen, your location, the local market for products under the Wanpo trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Wanpo tea shop may change? Check one (__) Yes (__) No. If no, please comment:~~

10. ~~Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in the Area Development Franchise Agreement and that an injunction is an appropriate remedy to protect the interest of the Wanpo system if you violate the covenant(s)? Further, do you understand that the term "you" for purposes of the non-compete covenants is defined broadly in the Area Development Franchise Agreement, such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Area Development Franchise Agreement? Check one (__) Yes (__) No. If no, please comment:~~

11. ~~On the receipt pages of your Franchise Disclosure Document you identified~~

    ~~as the franchise sellers involved in this franchise sales process. Are the franchise sellers identified above the only franchise sellers involved with this transaction? Check one (__) Yes (__) No. If no, please identify any additional franchise sellers involved with this transaction:~~

~~YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED~~

~~TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.~~

~~**NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS ACKNOWLEDGMENT.**~~

~~The acknowledgement does not apply in the State of California and California franchisees are not required to sign the acknowledgement.~~

Exhibit F

Contact Information of Former and Current Franchisees

No former franchisees shall be disclosed.

Below Please find contact information of the current franchisees.

California		
Pinky Long 660 Stanford Shopping Center Ste 721, Palo Alto, CA 94304 franchise@wanponorcal.com +1-650-8898929		

Guam		
Andy Lin & Seng Yu Chew A&S Pacific LLC 103 Kayen Tish Untalan Dededo Guam 96929 USA +1-671-4880103		

New York		
Wei Kuo 37 E 8th St, New York, NY 10003 wanpotea.ny@gmail.com +1-917-5873969		

Texas		
Ying Hui Zhang Tea Ba Enterprise LLC 3511 Hagerman Fossil CT Katy, TX 77494 +1-346-246-9990		

Exhibit G

State Effective Dates

The following states have franchise laws that require that this Disclosure Document be registered or filed with the states, 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 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	[pending]
Hawaii	Not registered
Illinois	Not registered
Indiana	Not registered
Maryland	Not registered
Michigan	Not registered
Minnesota	Not registered
New York	[pending]
North Dakota	Not registered
Rhode Island	Not registered
South Dakota	Not registered
Virginia	Not registered
Washington	Not registered
Wisconsin	Not registered

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Exhibit H

Receipt

This Disclosure Document summarizes certain provisions of the Unit Franchise Agreement and the Area Development Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Aim Good USA Corporation offers you a franchise, it must provide this disclosure document to you: (a) 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or at your reasonable request; or (b) under New York and Rhode Island law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 Business Days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or (c) under Michigan law, if applicable, at least 10 Business Days before you sign any binding franchise or other agreement or pay any consideration to us, whichever occurs first.
If Aim Good USA Corporation 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 state agencies listed in Exhibit D of the Disclosure Document.

The principal business address and telephone number of each franchise seller offering the franchise is contacting Ryan Liu ~~Blair Lin~~, Overseas Sales Representative, at No. 38, Sec. 2, Huanzhong Rd., Xitun Dist., Taichung City, 407 Taiwan (R.O.C.), 886-4-2426-2239, ryan@aimgood.com.tw ~~blair@aimgood.com.tw~~.

This Disclosure Document was issued: March 22, 2024 ~~April 14, 2023~~

Our own agent for service of process in California is the Department of Financial Protection and Innovation, its principal address is at 2101 Arena Boulevard Sacramento, CA 95834.

I received a Disclosure Document issued [____], 20[__]. included are the following exhibits:

Exhibit A	Financial Statements
Exhibit B	Unit Franchise Agreement
Exhibit C	Area Development Franchise Agreement
Exhibit D	Directory of Administrative Agencies and Agent for Service of Process
Exhibit E	The State of California Addendum
~~Exhibit F~~	~~Acknowledgment Addendum to Unit Franchise Agreement~~
~~Exhibit G~~	~~Acknowledgment Addendum to Area Development Franchise Agreement~~
Exhibit F	Contact Information of Former and Current Franchisees
Exhibit G	State Effective Dates
Exhibit H	Receipt

Date Disclosure Document Received*:* ______________________, 20___ *(enter date here)*
Tea Shop Address: ____
Signed: ____________________________________

Name: ____________________________________ (Please print)
Last 4 digits of Social Security Number: ______________

____
Street Address (domicile)

____
City or Town/State/Zip Code

Receipt (2)

This Disclosure Document summarizes certain provisions of the Unit Franchise Agreement and the Area Development Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Aim Good USA Corporation offers you a franchise, it must provide this Disclosure Document to you: (a) 7 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale or at your reasonable request

If Aim Good USA Corporation 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 state agencies listed in Exhibit D of the Disclosure Document.

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Exhibit G	State Effective Dates
Exhibit H	Receipt

Date Disclosure Document Received*:* ________________________, 20___ *(enter date here)*
Tea Shop Address: ____
Signed: _______________________________________
Name: _______________________________________ (Please print)
Last 4 digits of Social Security Number: _______________

____
Street Address (domicile)

City or Town/State/Zip Code