



(Multistate)

FRANCHISE DISCLOSURE DOCUMENT

BENTO SUSHI FRANCHISE, INC.

25 Centurian Drive, Suite 208

Markham, Ontario, Canada L3R5N8

Toll Free #: 905/513-0028

Website: www.bentosushi.com

Email: franchising@bentosushi.com

The franchisee will engage in the business of preparing and selling foods from one or more BENTO SUSHI Sushi Counters at a grocery store, retail center, or other location owned by someone else.

The total initial investment necessary to begin operation of a Bento Sushi Full Service Location ranges from \$19,275 to \$55,650, including \$7,150 to \$11,600 you must pay the franchisor or its affiliates. The total initial investment necessary to begin operation of a Bento Sushi Limited Service Location ranges from \$13,225 to \$41,250, including \$2,600 to \$3,700 you must pay the franchisor or its affiliates. The total initial investment necessary to begin operation of a Bento Sushi Satellite Location ranges from \$2,300 to \$8,850, including \$0 you must pay the franchisor or its affiliates. The total initial investment necessary to purchase an existing Bento Sushi Counter ranges from \$17,275 to \$151,650, including \$6,150 to \$109,600 you may pay the franchisor or its affiliate.

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

We offer the options of delivery of a paper copy or an email with a pdf attachment of our Disclosure Document. To discuss the criteria needed in order to receive our Disclosure Document before you meet with the Franchisor in person, contact Tamicka Doctor at 25 Centurian Drive, Suite 208, Markham, Ontario, Canada L3R5N8, phone: 905/513-0028.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or 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 ("FTC"). You can contact the FTC at 1-888-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 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 of this Franchise Disclosure Franchise Document is April 21, 2017

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STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit G for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise.

1. THE FRANCHISE AGREEMENT PERMITS YOU TO RESOLVE DISPUTES WITH US ONLY BY ARBITRATION IN BUFFALO, NEW YORK. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN BUFFALO, NEW YORK THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT DELAWARE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE HOST FACILITY WHERE YOUR SUSHI COUNTER IS LOCATED MAY TERMINATE YOUR RIGHT TO OPERATE THE SUSHI COUNT AT ANY TIME AND ON SHORT NOTICE. THE HOST FACILITY MAY OBJECT TO THE FRANCHISE OR FRANCHISEE (YOU) OPERATING THERE. THE HOST FACILITY MAY OBJECT TO THE TYPE OF FOOD OFFERED AT THE SUSHI COUNTER. THE HOST FACILITY MAY REQUIRE ADJUSTMENTS TO THE FRANCHISE OPERATIONS (SUCH AS IF THE HOST FACILITY REQUESTS THAT THE OPERATIONS BE CONVERTED FROM A FULL SERVICE LOCATION TO A SATELLITE, OR A LIMITED SERVICE LOCATION, OR VICE VERSA). TERMINATION OR OBJECTION BY THE HOST FACILITY MAY RESULT IN THE NEED FOR CLOSING YOUR SUSHI COUNTER AND/OR RELOCATION AT YOUR EXPENSE, RESULTING IN DISRUPTION, INTERRUPTION OR EVEN CLOSING OF YOUR OPERATIONS.
4. THE FRANCHISOR HAS BEEN IN EXISTENCE FOR A SHORT PERIOD OF TIME, SINCE APRIL 12, 2016. THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.

5. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$2,300 TO \$151,650. THIS AMOUNT MAY EXCEED THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF MAY 28, 2016, WHICH IS \$100.
6. THE FRANCHISOR'S AUDITED FINANCIAL STATEMENTS DATED MAY 28, 2016 REFLECT THAT CURRENT LIABILITIES SUBSTANTIALLY EXCEED CURRENT ASSETS. AS PER THE AUDITED BALANCE SHEET, THE FRANCHISOR HAD A WORKING CAPITAL DEFICIENCY OF \$21,109.
7. IF YOUR SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS, YOUR SPOUSE WILL BE REQUIRED TO SIGN A PERSONAL GUARANTY MAKING THE SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE WHETHER OR NOT THE SPOUSE IS AN OWNER OF THE FRANCHISE. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER AND THEIR SPOUSE AT RISK.
8. THERE MAY BE OTHER RISKS GOVERNING THIS FRANCHISE.

We use the services of one or more franchise brokers or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

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