	Provision	Section in franchise agreement	Summary
u.	Dispute resolution by arbitration or mediation	18.1 – 18.5	Except for certain claims, the parties agree in the Franchise Agreement to submit disputes (not including your failure to pay us sums due or an act of yours allowing us to immediately terminate the Franchise Agreement) initially to a meeting in person of our executive officers and your Principal Equity Owners at our principal executive office (without our respective legal counsel) within five business days after a party requests this meeting to conduct a good faith discussion and negotiation of the issues with a view to arriving at a settlement. If this meeting does not resolve the dispute (or the meeting does not occur), within 10 business days after the meeting takes place (or should have taken place), the parties may submit the dispute to a mutually acceptable mediator who is a State Bar of California Board of Legal Specialization Certified Specialist in Franchise and Distribution Law. If a mediation takes place but does not resolve the dispute or if no mediation occurs, the dispute will be resolved by arbitration by and before JAMS, Inc. in accordance with (i) JAMS Streamlined Arbitration Rules and Procedures (if the amount in controversy is less than $250,000) or (ii) JAMS Comprehensive Arbitration Rules and Procedures (if the amount in controversy is $250,000 or more). Or if the parties mutually agree, the dispute may be submitted to arbitration by and before another mutually agreeable arbitration organization. We will maintain a position of strict neutrality regarding any disputes between owners of a franchisee entity, and we will not assist any specific owner of your entity, nor will we take a position or issue an opinion on the validity of a specific claim by an owner of your entity or the respective liabilities of owners of your entity involved in a dispute. (This provision is subject to state law.)
v.	Choice of forum	18.1, 18.2	You and we agree that Los Angeles County, California will be the venue for any mediation, arbitration or litigation arising under the Franchise Agreement. (This provision is subject to APPLICABLE state law.)
w.	Choice of law	19.7	The Federal Arbitration Act governs arbitration of disputes under the Franchise Agreement. Otherwise, the laws of the state in which the Licensed Restaurant operated hereunder is located govern the Franchise Agreement. (This provision is subject to APPLICABLE state law.)

ITEM 18. PUBLIC FIGURES

We do not currently pay or provide any other benefit to a public figure for the right to use his or her name to promote the sale of Gyu-Kaku franchises.

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

We do not make any representation 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 our Chief Operating Officer, Akitsugu Yamaguchi, Reins USA Franchise Company, Inc., 20000 Mariner Avenue, Suite 500, Torrance, California 90503, (310) 214-9572, the Federal Trade Commission and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

[Table No. 1]
System-wide Outlet Summary For Years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2023	28	32	+4
	2024	32	27	-5
Franchised	2025	27	28	+1
	2023	34	33	-1
	2024	33	35	+2
Company-Owned	2025	35	34	-1
	2023	**62**	**65**	**+3**
	2024	**65**	**62**	**+2**
Total Outlets	**2025**	**62**	**62**	**0**

[Table No. 2]
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)
For Years 2023 to 2025

State	Year	Number of Transfers
	2023	0
	2024	1
California	2025	0
	2023	0
	2024	0
Kansas	2025	1
	2023	1
	2024	0
Pennsylvania	2025	0
	2023	**1**
	2024	**1**
Total	**2025**	**1**

[Table No. 3]
Status of Franchised Outlets For Years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
	2023	9	1	0	0	0	0	10
	2024	10	0	1	0	0	0	9
California	2025	9	0	0	1	0	0	8