

INFORMATION FOR PROSPECTIVE FRANCHISEES
REQUIRED BY THE FEDERAL TRADE COMMISSION

RECEIVED

MAR 27 2006

Department of Corporations
Los Angeles

TO PROTECT YOU, WE'VE REQUIRED YOUR FRANCHISOR TO GIVE YOU THIS INFORMATION. WE HAVEN'T CHECKED IT, AND DON'T KNOW IF IT'S CORRECT. IT SHOULD HELP YOU MAKE UP YOUR MIND. STUDY IT CAREFULLY. WHILE IT INCLUDES SOME INFORMATION ABOUT YOUR CONTRACT, DON'T RELY ON IT ALONE TO UNDERSTAND YOUR CONTRACT. READ ALL OF YOUR CONTRACT CAREFULLY. BUYING A FRANCHISE IS A COMPLICATED INVESTMENT. TAKE YOUR TIME TO DECIDE. IF POSSIBLE, SHOW YOUR CONTRACT AND THIS INFORMATION TO AN ADVISOR, LIKE A LAWYER OR AN ACCOUNTANT. IF YOU FIND ANYTHING YOU THINK MAY BE WRONG OR ANYTHING IMPORTANT THAT'S BEEN LEFT OUT, YOU SHOULD LET US KNOW ABOUT IT. IT MAY BE AGAINST THE LAW.

THERE MAY ALSO BE LAWS ON FRANCHISING IN YOUR STATE. ASK YOUR STATE AGENCIES ABOUT THEM.

FEDERAL TRADE COMMISSION
Washington, D.C. 20580

SanSai USA, Inc.

Uniform Offering Circular 03.2006



FRANCHISE OFFERING CIRCULAR

SANSAI USA, INC.
(A California Corporation)
615 S. Central
Los Angeles, CA 90021
(213) 622-2116
www.sansaiusa.com

We offer a Franchise to operate a single SanSai Franchised Business using the "SanSai" Marks and System. The SanSai Franchised Business may be a new unit or we may offer a company-owned unit.

We also offer to qualified persons the right to operate a specified number of SanSai Franchised Businesses in a designated territory under the terms of the Area Development Agreement. Under the Area Development Agreement you must build out a specified number of SanSai Franchised Businesses in a specified period of time.

The Initial Franchise Fee is \$35,000. If you purchase an existing company-owned SanSai Japanese Grill, you must also purchase the assets of the business, which may include leasehold improvements, personal property, and inventory in addition to payment of the initial franchise fee.

Under the Area Developer Agreement, you must pay an Initial Franchise Fee of \$35,000 for the first Development Unit and a Development Fee of \$7,500 multiplied by the number of subsequent Development Units.

The estimated initial investment for purchase of a new SanSai Japanese Grill ranges from \$442,400 to \$679,000.

The estimated initial investment for purchase of an existing company-owned SanSai Japanese Grill ranges from \$677,700 to \$1,153,200.

Risk Factors:

THE POSSIBLE SUCCESS OF YOUR SANSAI FRANCHISE MAY BE DEPENDENT ON THE LOCATION OR AREA YOU CHOOSE, THE LOCAL MARKET FOR THE PRODUCTS AND SERVICES OFFERED, COMPETITION AND OTHER FACTORS. THESE FACTORS, ALONG WITH YOUR OWN BUSINESS ABILITY IN OPERATING YOUR SANSAI FRANCHISED BUSINESS AND THE EXTENT TO WHICH YOU FOLLOW THE SANSAI™ SYSTEM, TOGETHER WITH YOUR FINANCIAL AND OTHER RESOURCES, ARE THE THINGS MOST LIKELY TO DETERMINE YOUR POSSIBLE SUCCESS. THERE ARE NO ASSURANCES THAT YOU WILL BE SUCCESSFUL AND THIS IS A SPECULATIVE INVESTMENT.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Information comparing franchisors is available. Call the state administrators listed in Exhibit H or your public library for sources of information.

Registration of this franchise with the state does not mean that the state recommends it or has verified the information in this offering circular. If you learn that anything in this offering circular is untrue, contact the Federal Trade Commission and the appropriate state authority listed in Exhibit H.

The Effective Date of this Offering Circular is _____, unless otherwise noted on an addendum for your state included in Exhibit I of this Offering Circular.