

AT RICHMOND, FEBRUARY 1, 2006

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

v.

ACE SUSHI FRANCHISE CORPORATION
and
ASIANA MANAGEMENT GROUP, INC.,

Defendants

CASE NO. SEC-2006-00001

2006 FEB -1 A 9:07

SETTLEMENT ORDER

Based on an investigation conducted by the Division of Securities and Retail Franchising ("Division"), it is alleged that the Defendants violated § 13.1-560 of the Virginia Retail Franchising Act ("Act"), § 13.1-557 et seq. of the Code of Virginia by granting or offering to grant franchises in the Commonwealth of Virginia prior to registering under the provisions of the Act, and violated § 13.1-563(e)(ii) of the Act by failing to, directly or indirectly, provide disclosure documents to franchisees as may be required by rule or order of the State Corporation Commission ("Commission").

The Commission is authorized by § 13.1-562 of the Act to revoke the Defendants' registration, by § 13.1-568 of the Act to issue temporary or permanent injunctions, and by § 13.1-570 of the Act to impose certain monetary penalties upon a finding by the Commission, after notice and opportunity to be heard, that the Defendants have committed the aforesaid alleged violations.

The Defendants neither admit nor deny these allegations, but admit to the Commission's jurisdiction and authority to enter this Settlement Order.

As a proposal to settle all matters arising from these allegations, the Defendants have made an offer of settlement to the Commission, wherein the Defendants will abide by and comply with the following terms and undertakings:

(1) The Defendants will not violate the Act in the future and will pay to the Commission the amount of one thousand five hundred dollars (\$1,500) to defray the cost of investigation pursuant to § 13.1-567 of the Act.

(2) The Defendants will pay to the Treasurer of the Commonwealth of Virginia the amount of fifteen thousand six hundred dollars (\$15,600) in monetary penalties pursuant to § 13.1-570 of the Act.

The Division has recommended that the Commission accept the offer of settlement of the Defendants pursuant to the authority granted the Commission in § 12.1-15 of the Code of Virginia.

THE COMMISSION, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Division, is of the opinion that the Defendants' offer should be accepted.

IT IS THEREFORE ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein is hereby accepted;

(2) The Defendants will fully comply with the aforesaid terms and undertakings of this settlement;

(3) The Defendants will pay to the Commission the amount of one thousand five hundred dollars (\$1,500) to defray the cost of investigation and pay to the Treasurer of the

Commonwealth of Virginia the amount of fifteen thousand six hundred dollars (\$15,600) in monetary penalties;

(4) This case is dismissed and the papers herein shall be placed in the file for ended causes; and

(5) Dismissal of this case does not relieve the Defendants from their reporting obligations to any regulatory authority.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Barry Kurtz, 16000 Ventura Boulevard, Suite 1000, Encino, California 91436-2730.

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ADMISSION AND CONSENT

The Defendants, Ace Sushi Corporation and Asiana Management Group, Inc., admit to the jurisdiction of the State Corporation Commission ("Commission") as to the party and subject matter hereof, neither admit nor deny the allegations made herein by the Division of Securities and Retail Franchising, and hereby consent to the form, substance and entry of the foregoing Settlement Order.

The Defendants further state that no offer, tender, threat or promise of any kind whatsoever has been made by the Commission or any member, subordinate, employee, agent or representative thereof in consideration of the foregoing Settlement Order.

Ace Sushi Franchise Corporation
Asiana Management Group, Inc.

Date: _____

11/25/06

By: _____


HARLAN CHIN, PRESIDENT