ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND

IN THE MATTER OF:	*	
Don Chicken LLC, and	*	Case No. 2026-0131
KSNJJ LLC,	*	
Respondents,	*	

* * * * * * * * * * * * *

CONSENT ORDER

WHEREAS, the Securities Division of the Office of the Attorney General of Maryland (the "Securities Division") initiated an investigation into the franchise-related activities of Don Chicken LLC ("DCL") and its affiliate, KSNJJ LLC ("KSNJJ") under the authority granted under the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§14-201 et seq. (2024 Repl. Vol.) (the "Maryland Franchise Law"); and

WHEREAS, based on information presented by the Securities Division, the Maryland Securities Commissioner (the "Securities Commissioner") has concluded that grounds exist to allege that DCL and KSNJJ (collectively "Respondents") violated the registration and disclosure provisions of the Maryland Franchise Law in relation to the offer and sale of franchises under the Maryland Franchise Law; and

WHEREAS, before the holding of a hearing in this matter, without trial or final adjudication of any issue of fact or law, and without Respondents admitting or denying any violation of law, the Securities Commissioner and Respondents have reached an agreement to

enter into this Consent Order; and

WHEREAS, Respondents waive their respective rights to a hearing and any rights to seek judicial review or otherwise challenge or contest the terms and conditions of this Consent Order; and

WHEREAS, the Securities Commissioner has determined that it is in the public interest to issue this Consent Order;

NOW, THEREFORE, it is hereby agreed, and the Securities Commissioner hereby orders:

I. JURISDICTION

1. The Securities Commissioner has jurisdiction in this proceeding pursuant to Section 14-210(a) of the Maryland Franchise Law.

II. FINDINGS OF FACT

Respondents

2. DCL is a New Jersey limited liability company with a corporate headquarters located at 232 Broad Avenue, Palisades Park, New Jersey 07650.

3. DCL offers and sells franchises for the establishment and operation of fast-casual restaurants serving traditional Korean fried chicken and related Korean sides and beverages.

4. KSNJJ is a New Jersey limited liability company that shares the same business address as DCL. KSNJJ is an affiliate of DCL and currently provides certain products to DCL franchisees.

5. On November 17, 2025, DCL filed with the Securities Division an initial application to register its franchise offering under the Maryland Franchise Law.

6. On December 9, 2025, the Securities Division reviewed DCL's initial application

and issued comments to the application that the franchisor needed to address before the Securities Division would register DCL's franchise offering ("December 9, 2025 Comment Letter").

7. Among the comments the Securities Division made in the December 9, 2025 Comment Letter was a request that the franchisor submit an undertaking stating that the franchisor had not offered or sold any franchises in Maryland during the time the franchisor was not effectively registered under the Maryland Franchise Law.

8. On February 19, 2026, DCL, through its counsel, sent a letter to the Securities Division, which included a copy of a license agreement dated December 11, 2024 between DCL's affiliate, KSNJJ, and K-Kichim LLC ("K-Kichim") for a Don Chicken location in Rockville, Maryland.

9. On March 2, 2026, DCL, through its counsel, emailed to the Securities Division a copy of a second agreement for a Don Chicken location in Maryland, a license agreement dated August 1, 2023 between DCL and MDON LLC, a Maryland limited liability company ("MDON") for a Don Chicken location in Frederick, Maryland.

B. Details of the License Agreements

10. DCL's August 1, 2023 license agreement with MDON granted MDON the right to own and operate a Don Chicken restaurant located inside an H-Mart location at Frederick, Maryland. MDDON paid DCL a license fee of $30,000 under that license agreement.

11. KSNJJ's December 11, 2024 license agreement with K-Kichim granted K-Kichim the right to own and operate a Don Chicken restaurant in Rockville, Maryland. Under that license agreement, K-Kichim agreed to pay KSNJJ a $25,000 license fee. DCL has represented to the Securities Division that K-Kichim has paid only $10,000 of the $25,000 license fee to

date.

12. As described above, DCL and KSNJJ each entered into license agreements (collectively "Don Chicken License Agreements") with entities for Don Chicken locations in Maryland (collectively, the "Maryland Licensees"). As of the date of this Consent Order, both Maryland Licensees' Don Chicken locations are open and operating.

13. The Securities Commissioner has determined that the Don Chicken License Agreements are "franchises" under the Maryland Franchise Law.

14. Neither DCL nor KSNJJ was registered with the Securities Division to offer and sell franchises under the Maryland Franchise Law at the time those entities entered into the Don Chicken License Agreements with the Maryland Licensees.

15. Neither DCL nor KSNJJ gave a copy of an FDD required under the Maryland Franchise Law prior to the offer and the sale of the Don Chicken License Agreements to the Maryland Licensees.

16. Respondents represent that, other than the sale of the Don Chicken License Agreements with the Maryland Licensees described in this Consent Order, neither DCL nor KSNJ offered or sold any franchises in Maryland or to any Maryland residents.

17. Respondents represent and agree that, in the future, they will comply with all provisions under the Maryland Franchise Law

III. CONCLUSIONS OF LAW

18. By engaging in the above activities, the Securities Commissioner has concluded that Respondents violated sections 14-214, 14-216, and 14-223 of the Maryland Franchise Law.

IV. ORDER AND CONSENT

19. THE SECURITIES COMMISSIONER HEREBY ORDERS AND RESPONDENTS HEREBY CONSENT AND REPRESENT AS FOLLOWS:

A. Respondents shall immediately and permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law;

B. DCL shall remit to the Office of Attorney General, as a civil monetary penalty, the sum of Five Thousand Dollars ($5,000.00);

C. Within ten (10) days of its receipt of a fully executed Consent Order of the Securities Commissioner, DCL, on behalf of itself or KSNJJ, as applicable, shall send by Federal Express or electronically, in each case with applicable tracking/recipient documentation to the Maryland Licensees the following: (i) a copy of this Consent Order; and (ii) a letter, in substantially the form attached to this letter as Exhibit 1, captioned "Rescission Offer," notifying the Maryland Licensees that they are being offered an opportunity to immediately rescind their Don Chicken License Agreements under the terms of this Consent Order and, if they opt to rescind, receive a refund of the initial fees they paid under those license agreements, and if applicable, the amount they paid for products and equipment they purchased from DCL or its affiliates as of the date of acceptance of the rescission offer if they return, at DCL's expense, the product or equipment they received as part of their franchise purchase;

D. If any Maryland Licensee does not opt to rescind its Don Chicken License Agreement in response to the Notice of Rescission rights required under this Consent Order, DCL shall diligently pursue DCL's pending application to register the Don Chicken franchise offering under the Maryland Franchise Law. DCL will also prepare and submit a one-page cover letter ("Cover Letter") to the pending application, for approval by the Securities Division, which Cover Letter shall succinctly describe the differences between the Don Chicken License Agreement signed by the Maryland Licensees and the DCL's franchise offering to be registered with the Securities Division. For purposes of this Consent Order, "diligently pursue" means that an applicant submits a substantive response to each Securities Division comment letter regarding a registration application no later than 30 days after the applicant's receipt of that comment letter;

E. If any Maryland Licensee does not opt to rescind that licensee's Don Chicken License Agreement in response to the Notice of Rescission Rights, and DCL fails to register its franchise offering with the Securities Division and obtain approval as required under this Consent Order within six (6) months from the date of this Consent Order ("Due Date"), DCL shall be assessed an additional civil monetary penalty in the amount of One Thousand Dollars ($1,000.00) due and payable within fifteen (15) days after the Due Date, which civil penalty amount shall continue to increase by $250.00 ("Additional Penalty") for every additional month after the Due Date so long as DCL has not obtained a registration of its franchise offering with the Securities Division. If DCL is not registered as required under this Consent Order after seven months, an Additional Penalty shall be due and payable by the fifteenth (15th) day of the eighth month after the date

of this Agreement, and on the 15th day of each succeeding month so long as DCL is not registered as required under this Consent Order. If DCL fails to make timely payments to the Office of the Attorney General as required under this Consent Order, and payments are delinquent for more than sixty (60) days, the Office of the Attorney General may refer collection of the monies due under this Consent Order to the Central Collections Unit ("CCU") of the State of Maryland. If a referral is made, any fee assessed by CCU shall be in addition to, and not offset, the balance of the civil monetary penalty owed to the Securities Division;

F. If DCL is required to register its franchise offering under Paragraph 19 (D) of this Consent Order, within ten (10) days of notification by the Securities Division that DCL franchise offering is effectively registered for use in Maryland, and the Cover Letter is approved, DCL shall send by mail or electronically, in each case with applicable tracking/recipient documentation to the Maryland Licensees who had not previously opted to rescind its Don Chicken License Agreement the following: (i) a copy of an effectively registered Maryland FDD; (ii) a copy of the Cover Letter approved by the Securities Division; and (iii) a letter, in substantially the form attached to this letter as Exhibit 2 captioned "Offer to Rescind License Agreement," notifying that Maryland Licensees that they are being given a second opportunity to rescind their Don Chicken License Agreement under the terms of this Consent Order

G. The Securities Commissioner had determined that the initial offer by DCL of a franchise to the Maryland Licensees in the form of the Notice of Rescission Rights described in this Consent Order is exempt from the registration provisions of the Maryland Franchise Law; and

H. DCL acknowledges that this Consent Order is a disclosable order as described under the Maryland Franchise Law and Item 3 of the NASAA Franchise Registration and Disclosure Guidelines and Amended FTC Franchise Rule.

V. JURISDICTION RETAINED

20. Jurisdiction shall be retained by the Securities Commissioner for such further orders and directions as may be necessary or appropriate for the construction or enforcement of the Consent Order.

VI. CONSEQUENCES OF VIOLATING THIS CONSENT ORDER

21. If any Respondent fails to comply with any term of this Consent Order, the Securities Division may bring administrative or judicial proceedings against that Respondent to

enforce this Consent Order or to sanction them for violating an order of the Securities Commissioner and may take any other action authorized under the Maryland Franchise Law or any other applicable law. In any such proceeding in which, after an opportunity for a hearing, the Securities Commissioner or a court finds that a Respondent violated this Consent Order, the Statement of Facts and the violations of the Maryland Franchise Law alleged in the Consent Order shall be deemed admitted and may be introduced into evidence against that Respondent.

VII. MODIFICATION OF CONSENT ORDER

22. The terms of this Consent Order may be modified only by a subsequent order issued by the Securities Commissioner.

DATE OF THIS ORDER;

April 14, 2026

SO ORDERED:

Commissioner's Signature on File w/Original Documents

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER

BY CONSENT:

Don Chicken LLC

By: Authorized Officer

KSNJJ LLC

By: Authorized Officer

FORM
(On Company Letterhead)

VIA [INSERT DELIVERY METHOD]
TO [INSERT FULL ADDRESSEE INFORMATION]

Re: **[Company] Notice of Rescission Rights**

Dear _____:

In accordance with discussions our attorneys have had with the Securities Division of the Office of the Attorney General of Maryland, [Insert Name of Company] ("we") have agreed under the attached Consent Order to offer rescission to any Maryland residents who entered into Franchise Agreement(s) with us in violation of the registration and disclosure provisions of the Maryland Franchise Law. We are making this offer in settlement of the administrative proceeding that the Securities Division may bring for the alleged sale of a franchise in violation of the Maryland Franchise Law, and this offer does not affect any civil liability for which we may be responsible.

If you elect to rescind and terminate your Franchise Agreement, we agree to cancel your Franchise Agreement, including all post-term and non-competition obligations you may have to us under that Franchise Agreement. You also will give up any rights to use our trademarks and system and be obligated to refrain from using and disclosing any of our trade secrets and any of our confidential and proprietary information

In the event you rescind, we will return to you the initial fee you paid us under your Franchise Agreement and, if applicable, give you a full refund of the cost you paid us for any equipment or products you purchased from us, if you return the equipment/products to us, at our expense. We will refund the initial fee you paid to us within 31 days after we receive your Acceptance of Offer to Rescind, and we will refund the price of the equipment/products within 31 days of receiving the equipment or products.

If you do not rescind your Franchise Agreement now, you will be given a second opportunity to rescind your Franchise Agreement after we have completed the franchise registration process. When that registration is complete, we will send you a copy of a Maryland registered Franchise Disclosure Document ("FDD"), and a new letter offering to rescind your franchise agreement under the same terms outlined in this letter.

This offer will remain open for thirty (30) days from the date you receive this letter. Please check the appropriate place below and return a signed copy of this letter to me within the time period. If you have any questions, please contact Tade Osikomaiya, Assistant Attorney General, at the Securities Division (410-576-7039).

Sincerely,

_____
[The Company]

Enclosed: Consent Order

ACCEPTANCE OR REFUSAL OF OFFER TO RESCIND FRANCHISE AGREEMENT

1. I, the undersigned, acknowledge that I have read the preceding Notice of Rescission Rights and understand its contents.

2. I understand that I have not waived my rights under the Maryland Franchise and Disclosure Law by signing this document.

3. I hereby make the following choice to accept or refuse your offer to rescind my Franchise Agreement:

CHECK ONE

_____ I hereby **accept** your offer of rescission and agree to not use your trademarks and system and to not use or disclose to anyone the trade secrets and confidential and proprietary information that we obtained from you. Please contact me to arrange for the return to you of the equipment from my Equipment Package.

_____ I do not accept your offer of rescission. I wish to remain a franchisee under my Franchise Agreement at this time. I understand that I will be given a second opportunity to rescind my Franchise Agreement once the franchisor has registered its franchise offering with the Securities Division under the Maryland Franchise Law.

_____ _____

Date Franchisee

FORM
(On Company Letterhead)

VIA [INSERT DELIVERY METHOD]
TO [INSERT FULL ADDRESSEE INFORMATION]

Re: **[Company] Offer to Rescind Franchise Agreement**

Dear _____:

As you recall, [Insert Name of Company] ("we") agreed to offer rescission to you of your Franchise Agreement with us. You previously received a "Notice of Rescission Rights" from us offering to rescind your Franchise Agreement immediately. Now that we have completed the registration of our franchise offering, we are giving you this second opportunity to rescind your Franchise Agreement. This offer of rescission is made in settlement of the administrative proceeding that the Securities Division may bring for the sale of a franchise in violation of the Maryland Franchise Law and does not affect any civil liability for which we may be responsible.

If you elect to rescind and terminate your Franchise Agreement, we agree to cancel your Franchise Agreement, including all post-term and non-competition obligations you may have to us under that Franchise Agreement. You also will give up any rights to use our trademarks and system and be obligated to refrain from using and disclosing any of our trade secrets and any of our confidential and proprietary information

In the event you rescind, we will return to you the initial fee you paid us under your Franchise Agreement and, if applicable, give you a full refund of the cost you paid to us for any equipment package/products you purchased from us, if you return the equipment/product to us, at our expense. We will refund the initial fee you paid to us within 31 days after we receive your Acceptance of Offer to Rescind, and we will refund the price of the equipment package/products within 31 days of receiving the equipment or products.

If you consider remaining a franchisee under your current Franchise Agreement, we are including a franchise disclosure document ("FDD") regarding that franchise offering that you should review before making that decision. You are not required to sign the new Franchise Agreement described in the FDD if you wish to remain as a franchisee under your existing Franchise Agreement.

This offer will remain open for thirty (30) days from the date you receive this letter. Please check the appropriate place below and return a signed copy of this letter to me within the time period. If you have any questions, please contact Tade Osikomaiya, Assistant Attorney General, at the Securities Division (410-576-7039).

Sincerely,

_____

[The Company]

Enclosed: Maryland registered Franchise Disclosure Document

ACCEPTANCE OR REFUSAL OF OFFER TO RESCIND FRANCHISE AGREEMENT

1. I, the undersigned, acknowledge that I have read the preceding Offer to Rescind Franchise Agreement and understand its contents.

2. I understand that I have not waived my rights under the Maryland Franchise Registration and Disclosure Law by signing this document.

3. I hereby make the following choice to accept or refuse your offer to rescind my Franchise Agreement:

CHECK ONE

_____ I hereby **accept** your offer of rescission and agree to not use your trademarks, patents, and system and to not use or disclose to anyone the trade secrets and confidential and proprietary information that we obtained from you. Please contact me to arrange for the return to you of the equipment/product.

_____ I do **not accept** your offer of rescission. I wish to remain a franchisee under my Franchise Agreement.

Date:_____ _____

Franchisee