A LEVEL ALLIANCES LLC

A Level Alliances Gıda Yatırım ve İşletme Girişimi · Value Masters Venture · Food Ventures

A LEVEL ALLIANCES FOOD VENTURE · CHAPTER I

STRICTLY PRIVATE & CONFIDENTIAL · NON-BINDING LETTER OF INTENT · 5 November 2026

To	[Name(s) and/or entity] — the persons and companies holding authority over the Ohanyan's name
From	Mehmet Narin, Founding Partner, for and on behalf of A Level Alliances LLC
Reference	ALA-OHN-LOI-2026-003
Subject	A partnership proposal concerning Ohanyan's — with the purchase price shown for reference
Consideration	Stated as a formula, not a figure. No amount is named by either party
Due diligence	Cole-Frieman & Mallon LLP, legal ally to A Level Alliances
Response requested	Within 15 days of receipt
Closing	Within 60 days of CIM signature
Status	Non-binding, save for the provisions at Section 12

This letter supersedes every earlier draft concerning Ohanyan's.

Online version: https://claude.ai/artifact/LZTasje5G4UNY6cboAru7B

Dear [Mr. Hancer]

Setting aside the warmth of your hospitality and the plainness of your manner — for which we are grateful, and which we will not treat as currency in a negotiation — our entire intent concerning Ohanyan's can be said in six words:

The name comes in. The factory stays in your hands. The family becomes a partner.

Everything that follows is the working-out of that sentence.

What we are actually looking at. A single physical production base with a real and verifiable margin. Forty-five years of trust in the ethnic market. And one thing we hold to be more important than taste, recipe or packaging: our founder, Mehmet Narin, has stood in front of a shelf as an ordinary customer, seen the Ohanyan's name on lahmacun and on mantı, and reached for it without asking a single question.

That unconditional reach is the asset. It cannot be manufactured, it cannot be hurried, and it cannot be bought anywhere else at any price.

What we bring. Finance and M&A craft, and nothing more exotic than that. Blended with that single physical base, it is structured for one purpose: to fund our entry into this market through a minimum of **$50M of acquisitions across two stages** — the first stage is your name; the second is production and packaging capacity in four categories. Section 6 sets out the second stage.

One deliberate absence. We have put no figure of yours in this letter — not your revenue, not your margin, not a price. We have worked with illustrative numbers internally and we will not present them to you as if they were facts about your business. What we offer instead is a **formula**. Its inputs are to be produced by an independent valuer the two of us appoint together, on your actual books. The price becomes arithmetic rather than assertion, and neither of us has to defend a number we invented.

How this letter should be read. As what its name says — an intent. Every term in it requires verification through due diligence by **Cole-Frieman & Mallon LLP**, legal ally to A Level Alliances, and through final discussions between the parties. We disclose our intent in full knowledge of that.

And one thing we would rather say first than be asked. This is our first venture in the food sector. We are not seasoned operators in it and we will not pretend otherwise. Our only real assurance is your name, your forty-five years, and your knowledge and standing in an agricultural and food basin like Fresno — the growers, the processors, the inspectors, the people who answer the phone. If that sounds like we need you more than you need us, that is a fair reading, and it is why this letter proposes a partnership rather than a purchase.

---

1 — The building, and which floor is yours

Ohanyan's is the first floor, and it is already yours. Whatever it earns, it earns because you built it.

What we intend is to take that first floor as the foundation and put four more on top of it — the second-stage facilities in the four categories at Section 6. Five floors, each on the scale of the first, is five times the earnings by simple addition; operated as one business, more than that. The question between us is whether you want to see anything from floors two through five, and the proposal at Section 2 is our answer to it.

---

2 — The proposal: partnership

Ohanyan's Inc comes into the structure **whole** — the plant, the workforce, the name, the inspection history — as a capital contribution. In return you receive half its value in cash and the other half, together with the whole of the good will, as a holding in the food company. You keep running the plant. You become a partner in everything built above it.

The formula. Three lines, nothing hidden:

```
V = E × 5        G = V ÷ 3        P = V + G = E × 6.67
```

where **E** is the normalised annual EBITDA of Ohanyan's as determined by the independent valuer, **V** is the valuation at a multiple of five, **G** is good will at one third of the valuation — in every option and without condition — and **P** is the total consideration: **6.67 times your normalised earnings.**

How it is split.

```
Cash = V ÷ 2  (8 equal quarterly instalments over 2 years)
Equity = V ÷ 2 + G = V × 5/6
```

Half the valuation reaches you in cash, every quarter for two years. The other half of the valuation **and the whole of the good will** are credited to you as a holding. That is the reward for taking paper instead of money: the holding credited to you is larger than the cash you gave up to get it.

```
Your holding = (V × 5/6) ÷ total programme budget  ·  capped at 25%
```

The programme budget is the whole of stages one and two, committed at not less than $50M. The denominator is not adjustable by us after signature; if the programme grows, we say so in advance rather than let it be discovered as dilution. Your holding is **non-dilutable through the first $50M of capital** and pro-rata beyond it. The 25% cap protects the other investors; the floor below protects you.

What the plant becomes: the Food Lab. The Fresno facility — federally inspected, forty-five years in continuous operation, validated through the 2016 FSIS process study — is exactly what a platform about to build four production floors needs and does not have: a licensed small-batch facility where every new product is developed, validated, pilot-run and sent to buyers as a sample under a name they already trust, before anyone commits capital to a full line. It also keeps the heritage bastırma and sucuk alive as a premium small-batch line. The plant's role as the Food Lab is written into the agreement. It is not a courtesy; it is the reason we want the whole of it and not just the name.

Who does what — written down. The Food Lab and the quality standard are yours to run, with your people. Capital, acquisitions and financing are ours. The operators of the upper floors come with the second-stage acquisitions. For a group new to food to be entrusted with a forty-five-year business, this division is the only honest answer we have, and we would rather it be in the contract than in a conversation.

Your seat, your veto, your role. A board seat, carrying a veto over three matters: the sale or licensing of the name to any third party; its entry into a materially new category; and any departure from the quality standard you write (Section 9). For Mr. Hancer, a paid role as **Director of the Food Lab and brand authority**, at not less than $250,000 a year for five years, in addition to any existing salary. The Ohanyan's Inc salary scale for your people continues as it stands.

Your way out, and ours. From the fifth anniversary you may require the company to buy your holding at a formula fixed at closing — eight times the company's EBITDA, times your percentage. From the seventh anniversary we may require you to sell at the same formula. Neither of us is locked in, and the price of the door is written today.

What you give up, stated plainly. Control. You go from one hundred percent of a business you built to a minority of a business that does not yet exist, with half your value in cash and half in a holding whose worth depends on what we build. We set that out at Section 8 rather than leave it to your adviser to find.

---

3 — The purchase price, shown for reference

We are not proposing that you sell. But a partnership at a formula is only honest if the alternative — simply selling at the same formula — is on the table and visible. So here it is.

> `Option A — Purchase:  P = E × 6.67, all in cash, 8 equal quarterly instalments over 2 years`

Everything transfers. Bastırma, sucuk, mantı, the recipes, the marks, the plant, the distributor relationships. Your people continue through a 24-month transition on a cost-plus basis; the family members who hold the craft are engaged as consultants, paid separately. If you own the premises, we lease them from you.

Why we show it. Because the partnership is built on it: the cash half of Section 2 is exactly half of this price, and the equity half is the other half plus the good will. If you can see the price, you can see what you are converting and what you are getting for the conversion. A partnership whose underlying price was hidden would deserve your suspicion.

Why we do not recommend it. Because it gives you none of the upper floors, and because it leaves us owning a name we would then have no partner to protect. We think it is a worse arrangement for both of us, and we say so.

What we are not offering. We considered a lease — the name licensed for new products, your business untouched. We are not proposing it, and the reason is the sentence this letter began with: a lease leaves the family outside the structure. We want you inside it. If a lease is what you would prefer, tell us, and we will consider it honestly — but it is not what we are asking for.

---

4 — Why a formula, and how E is found

The formula fixes the multiple. It does not fix E, and we will not. This is how we propose E be established.

Joint appointment. Each of us proposes two independent valuation firms with United States food-industry experience. Each strikes one of the other's. Of the two remaining we appoint whichever we agree on; failing agreement, those two appoint a third.

Normalisation, which generally favours you. The valuer adds back owner compensation above market, family members carried on the payroll, personal expenses run through the business, and one-off items. A family business's reported profit is almost never its real profit, and the real one is what should be valued. Annex 1 fixes the definition, because at a multiple of 6.67 every $100,000 of agreed add-back moves the consideration by $667,000.

One report, both parties, the same day. We bear the fee; if you would rather share it, we share it. **It binds neither of us.** The valuation is an honest starting point, not a verdict.

And a word about arguing E upward. In the partnership, half of P is cash and half is equity. If you believe E is higher than the valuer finds, you receive more equity, not more cash — the cash half is fixed by the formula. So argue E with the valuer, not with us. If you are right, your holding grows.

---

5 — Due diligence

Conducted by **Cole-Frieman & Mallon LLP** with accountants they instruct. It covers title to the marks, the USDA grant and inspection history, financial normalisation, contracts, environmental and employment matters — and two things we raise ourselves rather than have you learn we found them:

- The **2015 recall** of approximately 159,291 lb of soujouk for an undeclared allergen from a mould-release spray. A labelling matter, not a pathogen; no illness reported. It belongs on a diligence list and it informs Section 9. We do not intend to price it.
- The **2016 FSIS process-validation study**, during which production was suspended. This matters practically: a federal grant of inspection does not transfer with a change of ownership under 9 CFR 304 — a new application is required. What transfers is the plant, the validated procedures, the record and the people. In the partnership, the plant does not change hands operationally, which is one more reason we prefer it. *Both points subject to confirmation by counsel.*

We ask for three years of financial statements within 30 days of our first meeting. We do not ask for recipes or formulations until a mutual non-disclosure agreement is executed.

---

6 — The upper floors

Stage two acquires operating, licensed facilities in four categories: **(1) döner, köfte and charcuterie meat processing; (2) dairy and dairy products, including milk-based desserts; (3) bakery — pide and lahmacun; (4) mezes and snacks.** Each is chosen because it sells through the same buyers, the same cold chain and the same shelf as the first floor, and each will be developed and validated first in the Food Lab.

Where the extra earnings come from. Operated as one business rather than five, we model additional EBITDA from eight sources rather than a round assumption:

Source	Basis
Combined raw-material and meat purchasing	Five floors' volume against one supplier discount
A single sales and distribution team	One team in place of five duplicate payrolls
Shared cold chain and logistics	One warehouse, one despatch plan, fewer empty returns
Reduced trade spend	Your name lowers what retailers demand for shelf entry
Capacity utilisation and cross-production	Idle lines running another category's product
One quality and compliance system	One HACCP/BRC/USDA system and one audit budget
Combined packaging procurement	One order, shared tooling and print cost
Back-office consolidation	Accounting, payroll, IT and purchasing merged

The honest caveat. We have quantified every line above internally and we are deliberately not showing you the figures, for the same reason we are not showing you a price: they are modelled, not verified. The synergy is what makes the upper floors worth more than their parts — and therefore what makes your holding worth more than the cash you converted. If it does not survive due diligence, the holding is worth less than it looks. Your adviser should press us hard on exactly this. We will answer with data or revise the figure.

7 — Your own advisers

We ask you to engage your own lawyer and your own accountant before signing anything with us, including the confidentiality provision in this letter. We will contribute up to $[__] toward those fees, payable whether or not we ever transact and not deducted from any price.

We should say why. An agreement reached with a seller who had no adviser is the one most likely to be disputed afterwards — not because anyone behaved badly, but because the seller later learns something they did not know. We would rather spend this now than far more on a dispute in five years. We are glad to name two or three firms experienced in food transactions of this size; we would have no relationship with whichever you choose.

8 — What this costs you

We would rather set out the weaknesses in our own proposal than leave your adviser to find them.

It is a trade, not a gift. You give up one hundred percent of a business worth, to you, far more than any multiple — a forty-five-year business is worth its earnings in perpetuity, and your adviser will say so correctly. You receive half of a formula price in cash and the other half, plus good will, in a holding in something that does not yet exist. The holding carries no financial liability, but it does carry execution risk: the upper floors have to be bought and running before they pay you anything, and that will not be in year one.

A multiple is a judgment. We have set ours at 6.67 because we believe the name is worth more than the plant. Put the present value of simply continuing to run your own business beside it. If the two are close, the premium is thinner than it looks, and the right response is to press us — on the multiple, or on the holding, or on both.

The synergy is unproven (Section 6). **We are new to food** (page one). In this partnership you are betting partly on us. We will show you evidence of our funding before you sign anything, but we have not built this business yet. Have your adviser put that question to us directly.

What the trade is for. Not the multiple. It is for the question every forty-five-year family business eventually asks and which neither a sale nor a lease answers: what happens to this when the founder steps back. A sale ends it. A lease leaves it where it is. The partnership puts it inside a structure with professional management, a liquidity path at a formula, your people still running the plant, and your name on four more floors. That is what we are proposing you trade for, and we think it is the only thing worth trading for.

---

9 — Protecting the name

You write the standard, before closing. We will not tell you what your name requires, and we will not leave it to anyone's discretion afterwards. Before closing you deliver in writing the standards the name must carry — ingredients, formulation, sourcing, process, shelf life, labelling, and whatever else you hold essential. Those become the **Ohanyan's Brand Quality Manifesto**, scheduled to the agreements and signed by every producer who uses the name, ourselves and every other producer included, on identical terms and without exception.

It is enforceable. Breach by any producer carries consequences agreed in advance: suspension of that producer's right to the name, withdrawal of affected product at the breaching producer's cost, compensation at a level agreed in advance as a reasonable pre-estimate of harm, and, for repeated or uncured breach, reversion of the name to you. *Drafting note: under United States law a clause framed as a penalty is generally unenforceable while liquidated damages set as a reasonable pre-estimate of loss are enforceable. To be confirmed by counsel.*

Why this protects us too. Under United States trademark law a licensor who does not exercise quality control over its mark risks weakening it. Your standard is a requirement on us, not a courtesy to you.

10 — What we ask of you

1. **Your reading of the proposal.** Not a decision — whether the partnership interests you, whether you would rather simply sell at the reference price, or whether something else would. All are useful answers.
2. **Who holds authority over the name.** What is registered, in whose name, in which classes and territories; what is used but unregistered; and which persons and companies are authorised to license, assign or otherwise deal with the Ohanyan's name — and which are not. We will correspond and contract only with those you name.
3. **How much cash.** The formula sets the cash half at V ÷ 2. If you would want more cash and less holding, or the reverse, say so; that single choice sets your percentage.
4. **Access for the valuation**, once an NDA is in place.
5. **Exclusivity of negotiation** — [60/90] days from countersignature, during which you would not negotiate the sale or licensing of the name with another party. One of the few binding provisions here. If you are already in discussions with someone else, tell us and we will not ask you to sign it.

11 — Timetable

Step	Timing	Party
Your response	Within 15 days of receipt	You
If positive: NDA and/or CIM executed; due diligence opens	On your indication	Both
You engage your advisers; our contribution paid	Within 10 business days of NDA/CIM	You / Us
Evidence of our funding delivered	Within 10 business days of NDA/CIM	Us
Joint appointment of the valuer	Within 15 business days of NDA/CIM	Both
CFM due diligence	Concurrent	Us
Valuation report to both parties	[30–45] days from appointment	Valuer
Non-valuation obligations discharged	Within 60 days of CIM signature	Us
Valuation-dependent obligations discharged	Within 15 business days of the report	Us
Definitive agreements and closing	Within 60 days of CIM signature	Both

12 — Confidentiality and status

Confidentiality. This letter is confidential for three years from its date. It may not be shared, copied, forwarded, distributed, summarised or announced to anyone other than the person or persons authorised to sign on your behalf and the advisers you engage under Section 7. There is no exception — not to family members outside that signing authority, not to producers, distributors or brokers, and not to any party considering the same assets. Disclosure outside that circle is a breach of this letter and of our intellectual property rights. The same obligation binds us in respect of everything you give us, for the same three years.

Non-binding. This letter records an intent and a way of working. It is not an offer and obliges neither party to negotiate, to continue negotiating, or to enter into any agreement. Obligations arise only from definitive agreements signed by both parties.

Binding on signature. Four provisions bind when you countersign: the confidentiality undertakings of both parties; the exclusivity period at Section 10.5; our undertaking to contribute to your advisers' fees at Section 7; and the governing law provision. Governing law: State of Nevada, save that any matter concerning the real property or the plant is governed by California law.

Evidence of funding. Before any definitive agreement we deliver evidence of funds sufficient for the transaction. If we cannot, you should not sign, and we would not ask you to.

If the answer is no, tell us so rather than let this go quiet. We would shake hands on a good-faith effort and part as friends — and we would still buy your sucuk.

With respect,

Mehmet Narin

Founding Partner, for and on behalf of A Level Alliances LLC
A Level Alliances Gıda Yatırım ve İşletme Girişimi
5 November 2026

Acknowledged and agreed as to the binding provisions of Section 12:

_____ Date: _____

For and on behalf of the Ohanyan's name

Name: _____ Title: _____

Annex 1 — The definition of E

At a multiple of 6.67 the definition of normalised EBITDA matters more than any other sentence in this letter. We would rather fix it before the valuer starts than argue about it after. We expect your accountant to argue with it; that is what it is for.

The period. A three-year average of normalised EBITDA, not the trailing twelve months. It protects you against a single weak year and us against a single strong one.

Added back (increasing E):

- Owner and family compensation above a market rate for the role actually performed
- Family members on the payroll who do not work in the business
- Personal expenses run through the company — vehicles, travel, insurance, residences
- Genuinely one-off items: the 2015 recall costs, the 2016 validation study, litigation settled and closed
- Rent paid to a related party above market, or imputed rent where premises are owned
- Discretionary charitable and sponsorship spending

Not added back (left in as real cost):

- Recurring maintenance, however classified
- Marketing and trade spend the business actually needs to hold its shelf
- Deferred capital expenditure — a line at the end of its life is a cost we inherit
- Compensation for family members who genuinely run the business and whose roles must be replaced
- Any item appearing in more than one of the three years

Who decides. The valuer, on the instruction above, with both parties entitled to written submissions on any disputed item and neither entitled to see the other's before it is filed. Items the valuer cannot resolve are excluded from E rather than split.

This letter is a non-binding letter of intent. It is not an offer of securities, a binding agreement, or legal, tax or accounting advice. Terms are stated as formulas for discussion and are not offers; they require verification through due diligence by Cole-Frieman & Mallon LLP and final discussions between the parties. The synergy sources at Section 6 are modelled and unverified. Statements concerning United States trademark, food-safety and tax law are general and subject to confirmation by counsel. Analysis prepared by Value Masters Academy for Value Masters Venture — Food Venture Fund I.