Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The Franchise Agreement and Multi-Unit Development Agreement require you to resolve disputes with the franchisor by arbitration or litigation only in Colorado. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Colorado than in your own state.

2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both you and your spouse's martial and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

~~4. **Financial Condition**. The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.~~

4. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

5. **Turnover Rate**. In the last year, a high percentage of franchised outlets transferred, reacquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

and suppliers; however, we do not issue these criteria to you. We may, with or without cause, revoke our approval of any vendor at any time.

Insurance

You must maintain in force at your sole expense insurance policies for each Restaurant as required under applicable law and in minimum types and amounts of coverage we require. Currently, our requirements include: "all risk" property insurance (replacement cost basis; no coinsurance clause), business interruption insurance (loss of income for at least 12 months; franchisor reimbursement for Royalties, Marketing Fund and other administered fund for events causing closing for more than 48 hours; 60-day period of indemnity), automobile liability ($4,000,000 combined single limit each accident; owned, non-owned and hired autos), workers compensation (statutory limits) and employers liability ($1,000,000 each accident/disease each employee/policy limit), and comprehensive general liability with product and completed operations, broad form contractual liability, personal injury and advertising injury, property damage, and fire and water damage legal liability (at least $2,000,000 per occurrence, $4,000,000 products/completed operations, $2,000,000 liquor liability per occurrence, and $4,000,000 general aggregate; per location aggregate endorsement required for policies covering multiple locations).

These insurance policies must name us and any affiliates we designate as additional named insureds, using a form of endorsement that we have approved, and provide for 30 days' prior written notice to us of a policy's material modification, cancellation or expiration. Your insurance policies must contain a waiver of subrogation in favor of the additional insureds and provide primary coverage with any insurance policies we maintain being non-contributory.

Purchase Arrangements, Material Benefits and Revenue

In some cases, we or our affiliates will negotiate purchase arrangements, including prices and terms, with designated and approved suppliers on behalf of Smashburger Restaurants. Currently, we have negotiated purchase arrangements, including pricing terms, with our designated suppliers of: (i) music services, (ii) pest control services, (iii) customer satisfaction surveys, (iv) gift card management and replenishment services, and (v) online ordering system management services.

We or our affiliates may derive revenue or other material consideration from direct purchases or leases by our franchisees. Currently, we do not collect any such revenue; however, our affiliate Smashburger Purchasing collects certain amounts from franchisees in connection with centralized billing for third-party services. Smashburger Purchasing in most cases passes the expenses of such services on to the franchisee with no adjustment and does not recognize any revenue from such collections. However, Smashburger Purchasing reserves the right to mark-up the amount it charges franchisees. Currently, Smashburger Purchasing charges a mark-up only on music and gift card services. During our ~~prior~~2024 fiscal year, Smashburger Purchasing derived $5,075 from direct purchases by franchisees.

We or our affiliates may also derive revenue or other material consideration from approved supplier based on purchases made by us, our affiliates or our franchisees of the supplier's products or services (e.g. rebates). The basis for rebates paid to us or our affiliates will depend on the type of product or service supplied, but currently they range from $0.20 to $73.88 per unit (that is, a case, gallon, container, or other purchase unit) for food, beverage and other products and services, such as credit card processing services, and approximately $2,000 per package of equipment. During our ~~prior~~2024 fiscal year, we did not receive any revenue, rebates, or other consideration from vendors on the basis of purchases made by our franchisees. However, during this period, our affiliates received $1,265,882 (Smashburger Purchasing - $1,229,882; Smashburger AF Trust - $36,000) in rebates from approved vendors based on purchases made by franchisees. Of the rebates accrued in our ~~prior~~2024 fiscal year, we estimate that approximately $41,817 will be paid to franchisees under the

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

~~2. The following paragraph is added to the end of Item 5:~~
~~Payment of Initial Franchise/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.~~

MARYLAND

1. The following is added to the end of Item 17(c) and Item 17(m) entitled "Conditions for franchisor approval of transfer":

Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the "Summary" section of Item 17(h), entitled "'Cause' defined - defaults which cannot be cured":

The Multi-Unit Development Agreement and Franchise Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The "Summary" section for the Multi-Unit Development Agreement and Franchise Agreement of Item 17(v), entitled "Choice of forum" is amended to add the following:

> A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> 4. The following paragraphs are added at the end of Item 17:
>
> No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
>
> .

MINNESOTA

1. "Renewal, Termination, Transfer and Dispute Resolution". The following is added at the end of the chart in Item 17:

> ~~With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Multi-Unit Development Agreement and Franchise Agreement and 180 days' notice for non-renewal of the Multi-Unit Development Agreement and Franchise Agreement.~~
> ~~Minn.~~Minnesota Statute~~. Sec. ~~ 80C.21 and ~~Minn.~~Minnesota Rule ~~2860.4400J might~~2860.4400(J) prohibit ~~us~~the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the ~~Multi-Unit Developer or F~~franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document~~,~~ ~~Multi-Unit Development Agreement or Franchise~~ or ~~A~~agreement(s) can abrogate or reduce (1) any of ~~Multi-Unit Developer's or~~the ~~F~~franchisee's rights as provided for in Minnesota Statute~~s, Chapter~~ 80C~~,~~ or ~~Multi-Unit Developer's or~~(2) ~~F~~franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
>
> ~~Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.~~
> With respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases)

- that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement and
- that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION

except to the extent otherwise required by applicable law for claims arising under the Rhode Island Franchise Investment Act.

2. The "Summary" section of Item 17(w), entitled "Choice of law", is deleted and replaced with the following:

The laws of the State of Colorado apply, except to the extent otherwise required by applicable law with respect to claims arising under the Rhode Island Franchise Investment Act.

~~**SOUTH DAKOTA**~~

~~1. The following is added to the end of Item 5, entitled "Initial Fees", and Item 7, entitled "Estimated Initial Investment":~~

~~The South Dakota Department of Labor and Regulation's Division of Securities has imposed the requirement that we defer collection of the initial franchise fee until we have completed all of our pre-opening obligations to you under the multi-unit development agreement and/or franchise agreement and you have begun operating your Smashburger Restaurant.~~

VIRGINIA

1. The "Summary" section of Item 17(h), entitled "Cause defined – non curable defaults", is amended by adding the following:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. The "Summary" section of Item 17(o), entitled "Franchisor's option to purchase franchisee's business" is amended by adding the following:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Multi-Unit Development Agreement or Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Multi-Unit Development Agreement or Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

RIDER TO THE SMASHBURGER FRANCHISING LLC
MULTI-UNIT DEVELOPMENT AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made and entered into by and between **SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company with its principal business address at 3900 East Mexico Avenue, Suite 1300, Colorado, 80210 ("we," "us," or "our"), and ____, whose principal business address is _ ____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Multi-Unit Development Agreement dated __________________________, 20___ (the "Multi-Unit Development Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Development Agreement. This Rider is being signed because (a) you are domiciled in the State of Illinois, or (b) the offer of the franchise is made or accepted in the State of Illinois and the Smashburger Restaurants that you develop under your Multi-Unit Development Agreement are or will be located in the State of Illinois.

~~2. **DEVELOPMENT FEE**. The following language is added at the end of Section 3.A of the Multi-Unit Development Agreement:~~

~~Payment of Initial Franchise/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.~~

2. ~~3.~~ **ILLINOIS FRANCHISE DISCLOSURE ACT**. The following language is added to the end of the Multi-Unit Development Agreement:

Illinois law governs the Multi-Unit Development Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a multi-unit development agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a multi-unit development agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

7. **RELEASES.** The Multi-Unit Development Agreement is further amended to state that "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

8. **QUESTIONNAIRES AND ACKNOWLEDGEMENTS**. The following language is added to the end of the Multi-Unit Development Agreement:

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURE PAGE TO FOLLOW]

RIDER TO THE SMASHBURGER FRANCHISING LLC
~~MULTI-UNIT DEVELOPMENT AGREEMENT~~
~~FOR USE IN THE STATE OF SOUTH DAKOTA~~

~~**THIS RIDER** is made and entered into by and between **SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company with its principal business address at 3900 East Mexico Avenue, Suite 1300, Colorado, 80210 (“we,” “us,” or “our”), and ____, whose principal business address is~~ ____ ~~(“you” or “your”).~~

~~1. **BACKGROUND**. We and you are parties to that certain Multi-Unit Development Agreement dated __________________________, 20____ (the “Multi-Unit Development Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Development Agreement. This Rider is being signed because: (a) you are a resident of South Dakota or (b) the Smashburger Restaurants that you will develop under the Multi-Unit Development Agreement will be located or operated in South Dakota.~~

~~2. **DEVELOPMENT FEE**. Section 3.A of the Multi-Unit Development Agreement is hereby deleted in its entirety.~~

~~[SIGNATURE PAGE TO FOLLOW]~~

~~**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Development Agreement.~~

~~**SMASHBURGER FRANCHISING LLC,** a Delaware limited liability company~~	~~**MULTI-UNIT DEVELOPER:**~~
	______________________________ ~~**Name of Entity**~~
~~Sign:~~ ______________________________	
~~Name:~~ ______________________________	
~~Title:~~ ______________________________	~~Sign:~~ ______________________________
	~~Name:~~ ______________________________
	~~Title:~~ ______________________________

~~RIDER TO THE SMASHBURGER FRANCHISING LLC~~

MULTI-UNIT DEVELOPMENT AGREEMENT,
AND RELATED AGREEMENTS
FOR USE IN WASHINGTON

THIS RIDER is made and entered into by and between **SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company with its principal business address at 3900 East Mexico Avenue, Suite 1300, Colorado, 80210 ("we," "us," or "our"), and ____, whose principal business address is ____ ("you" or "your").

BACKGROUND. We and you are parties to that certain Multi-Unit Development Agreement dated __________________________, 20____ (the "Multi-Unit Development Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Development Agreement. This Rider is being signed because (a) the offer is directed into the State of Washington and is received where it is directed; or (b) you are a resident of the State of Washington; or (d) the Smashburger Restaurants that you develop under your Multi-Unit Development Agreement are or will be located or operated, wholly or partly, in the State of Washington.

WASHINGTON LAW. The following paragraphs are added to the end of the Multi-Unit Development Agreement:

RIDER TO THE SMASHBURGER FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made and entered into by and between **SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company with its principal business address at 3900 East Mexico Avenue, Suite 1300, Colorado, 80210 ("we," "us," or "our"), and ____, whose principal business address is _ ____ ("you" or "your").

1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated ________________________, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in the State of Illinois, or (b) the offer of the franchise is made or accepted in the State of Illinois and the Smashburger Restaurant that you develop under your Franchise Agreement is or will be operated in the State of Illinois.

~~2. **INITIAL FRANCHISE FEE**. The following language is added at the end of Section 3.A of the Franchise Agreement:~~

> ~~Payment of Initial Franchise/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.~~

2. ~~3.~~ **ILLINOIS FRANCHISE DISCLOSURE ACT**. The following language is added to the end of the Franchise Agreement:

> Illinois law governs the Franchise Agreement.
>
> In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
>
> Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
>
> In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
>
> No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURE PAGE TO FOLLOW]

6. **LIMITATIONS OF CLAIMS**. The following is added to the end of Section 17.M of the Franchise Agreement:

> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

7. **RELEASES.** The Franchise Agreement is further amended to state that "All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

8. **QUESTIONNAIRES AND ACKNOWLEDGEMENTS**. The following language is added to the end of the Franchise Agreement:

> No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

9.

[SIGNATURE PAGE TO FOLLOW]

RIDER TO THE SMASHBURGER FRANCHISING LLC
~~FRANCHISE AGREEMENT~~
~~FOR USE IN THE STATE OF SOUTH DAKOTA~~

~~**THIS RIDER** is made and entered into by and between **SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company with its principal business address at 3900 East Mexico Avenue, Suite 1300, Colorado, 80210 ("we," "us," or "our"), and ____________________, whose principal business address is ____________________ ("you" or "your").~~

~~1. **BACKGROUND**. We and you are parties to that certain Franchise Agreement dated ____________________, 20____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because: (a) you are a resident of South Dakota or (b) the Restaurant that you will develop under the Franchise Agreement will be located or operated in South Dakota.~~

~~2. **INITIAL FEES**. The following language is added to the end of Section 3.A of the Franchise Agreement:~~

> ~~The South Dakota Department of Labor and Regulation's Division of Securities requires us to defer payment of the initial franchise fee and other initial payments you owe us until we have completed all of our pre-opening obligations to you under this Agreement and you have begun operating your Smashburger Restaurant.~~

~~[SIGNATURE PAGE TO FOLLOW]~~

~~**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.~~

~~**SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company~~

~~By:~~ ______________________________

~~Name:~~ ______________________________

~~Title:~~ ______________________________

~~**EFFECTIVE DATE:**~~ _

~~**FRANCHISE OWNER:**~~

____

~~**[Name]**~~

~~By:~~ ______________________________

~~Name:~~ ______________________________

~~Title:~~ ______________________________

~~Date:~~ ______________________________

~~RIDER TO THE SMASHBURGER FRANCHISING LLC~~
FRANCHISE AGREEMENT, AND
RELATED AGREEMENTS
FOR USE IN WASHINGTON

THIS RIDER is made and entered into by and between **SMASHBURGER FRANCHISING LLC**, a Delaware limited liability company with its principal business address at 3900 East Mexico Avenue, Suite 1300, Colorado, 80210 ("we," "us," or "our"), and ____, whose principal business address is ____ ("you" or "your").

BACKGROUND. We and you are parties to that certain Franchise Agreement dated __________________________, 20____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer is directed into the State of Washington and is received where it is directed; or (b) you are a resident of the State of Washington; or (d) the Smashburger Restaurant that you develop under your Franchise Agreement is or will be located or operated, wholly or partly, in the State of Washington.

WASHINGTON LAW. The following paragraphs are added to the end of the Franchise Agreement: