

## 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 mediation, arbitration, and/or litigation only in New York. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in New York than in your own state.
2. ~~**Short Operating History.** The franchisor is at an early stage of development and has limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.~~
- 4.2. **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.
3. **Mandatory Minimum Payments.** You must make minimum advertising and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
- 5.4. ~~**Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.~~

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.

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

## BUSINESS OPPORTUNITY DISCLOSURE

The following business opportunity disclosure is provided by Smash Franchising LLC, a registered business in the State of Connecticut.

Disclosure Document is dated: ~~June 7, 2024~~ March 31, 2025

### **Hawaii FDD Amendment** Amendments to the iSmash Franchise Disclosure Document

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Exhibit K “FDD Receipts,” is supplemented with the addition of the following:

The Receipt for this Disclosure Document (Exhibit “K”) is supplemented to add the following:

1. THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

2. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

3. THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT AND THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

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 in connection with the franchise.

Item 5 is amended to include the following: “All initial fees and payments owned by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and the franchisee opens for business.”

**Illinois FDD Amendment**  
Amendments to the iSmash  
Franchise Disclosure Document

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DISCLOSURE REQUIRED BY THE STATE OF ILLINOIS

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.

Franchisee’s rights upon Termination and Non-Renewal 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.

Item 5 of the Disclosure Document is amended to include the following: “A Surety Bond has been obtained by the Franchisor ~~has posted a surety bond which~~to assure its financial capability to its franchisees; the Bond is on file with the Office of the Illinois Attorney General ~~for the purpose. The financial assurance requirement was imposed by the Office of ensuring that~~the Illinois Attorney General due to Franchisor’s ~~pre-opening obligations to the Franchisee have been satisfied~~financial condition.””

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.

**Indiana FDD Amendment**  
Amendments to the iSmash  
Franchise Disclosure Document

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1. Item 8, “Restrictions on Sources of Products and Services.” is supplemented by the addition of the following:

Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person,



**ILLINOIS FRANCHISE AND MULTI-UNIT  
DEVELOPMENT AGREEMENT AMENDMENT**

Amendments to the iSmash Franchise Agreement  
And Multi-Unit Development 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.

Franchisee’s rights upon Termination and Non-Renewal 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 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.

A Surety Bond has been obtained by the Franchisor ~~has posted a surety bond which~~to assure its financial capability to its franchisees; the Bond is on file with the Office of the Illinois Attorney General ~~for the purpose. The financial assurance requirement was imposed by the Office of ensuring that the Illinois Attorney General due to~~ Franchisor’s ~~pre-opening obligations to the Franchisee have been satisfied~~financial condition.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Illinois amendment to the Smash Franchising LLC Franchise Agreement and, if applicable, the Development Agreement on the same date as the Franchise Agreement and Development Agreement were, respectively, executed.

**Franchisor:** Smash Franchising LLC

**Franchisee:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title (please print)

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Dated



### State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<u>Effective Dates</u>	
California	April 11, 2025
Hawaii	Pending
Illinois	<del>Pending</del> April 9, 2025
Indiana	<del>Pending</del> April 16, 2025
Maryland	Pending
Michigan	June 17, 2024
Minnesota	Pending
New York	Pending
North Dakota	<del>Pending</del> April 16, 2025
Rhode Island	Pending
South Dakota	July 12, 2024
Virginia	<del>Pending</del> April 24, 2025
Washington	Pending
Wisconsin	<del>Pending</del> April 16, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.