

FRANCHISE DISCLOSURE DOCUMENT



KILLER BURGER FRANCHISING, INC.
An Oregon limited liability company
5705A NE 105th Avenue
Portland, Oregon 97220
503-954-3100
franchise@killerburger.com
www.killerburger.com

The franchise described in this disclosure document is for a fast-casual hamburger restaurant business utilizing the “Killer Burger” concept and our business operating system to provide gourmet hamburgers with associated side dishes, beer and wine in a relaxing restaurant atmosphere for lunch and dinner.

The total investment necessary to begin operation of a Killer Burger restaurant ranges from \$ 234,300 to \$691,500. This includes the franchise fee that must be paid to us. If this is your second or subsequent franchise, your total investment, as well as the amount you must pay to us, will be reduced by a decrease in the franchise fee of \$5,000.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Note, however, that no governmental agency has verified the information contained in this document.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Thomas Southard at 5705A NE 105th Avenue, Portland, Oregon or 503 954-3100.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “A Consumer's Guide to Buying a Franchise,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

We may use the services of 1 or more Franchise Brokers or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of this franchise. There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 12, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your State. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the franchise administrator listed in Exhibit D for information about the franchisor or about franchising in your State.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT PERMITS YOU TO MEDIATE AND LITIGATE WITH US ONLY IN OREGON. OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE OR LITIGATE WITH US IN OREGON THAN IN YOUR HOME STATE. STATE FRANCHISE LAWS MAY AFFECT THE ENFORCEABILITY OF VENUE PROVISIONS.
2. THE FRANCHISE AGREEMENT STATES THAT OREGON LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS. THE STATE OF OREGON MAY DENY A FRANCHISEE THE PROTECTIONS IT WOULD BE ENTITLED TO UNDER LOCAL LAW. YOU SHOULD INVESTIGATE WHETHER YOUR PURCHASE OF THE FRANCHISE FALLS UNDER THE JURISDICTION OF A STATE FRANCHISE LAW.
3. YOUR SPOUSE OR LEGAL DOMESTIC PARTNER MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN THOUGH YOUR SPOUSE OR LEGAL DOMESTIC PARTNER HAS NO OWNERSHIP INTEREST IN THE BUSINESS. THIS GUARANTY WILL PLACE BOTH YOUR AND YOUR SPOUSE'S OR LEGAL DOMESTIC PARTNER'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.
4. THE TOTAL INVESTMENT NECESSARY TO BEGIN OPERATION OF A KILLER BURGER RESTAURANT FRANCHISE RANGES FROM \$234,300 TO \$691,500. THIS INCLUDES \$40,000 (OR \$35,000 FOR THE 2ND AND SUBSEQUENT FRANCHISES) THAT MUST BE PAID TO THE FRANCHISOR OR ITS AFFILIATE(S).
5. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. YOUR INABILITY TO MAINTAIN THESE LEVELS MAY RESULT IN LOSS OF ANY TERRITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE, AND LOSS OF YOUR INVESTMENT.

Effective Date: See the next page for State effective dates.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

The Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California:

Hawaii:

Illinois:

Indiana:

Maryland:

Michigan:

Minnesota:

New York:

North Dakota:

Rhode Island:

South Dakota:

Virginia:

Washington: _____, 2017

Wisconsin:

In all the other states, the effective date of this Franchise Disclosure Document is April 12, 2017.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/killer-burger>